Daily Report

Latin America

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OAS Gives Observer Status to Equatorial Guinea

AB1403090690 Malabo Domestic Service in Spanish 2100 GMT 9 Mar 90

[Text] Equatorial Guinea, the only Spanish-speaking country on the African Continent, will henceforth have permanent observer status within the Organization of American States, OAS. This important decision was made at the discussions that Mbamaso Obiang Ndongo, Equatorial Guinea's ambassador to the United Nations, held in New York recently with both the chairman and the secretary general of the OAS Permanent Council.

During the discussions, our ambassador expressed the Malabo government's desire to maintain and develop relations of economic and cultural cooperation with American states in accordance with the open door policy with the rest of the world launched by President Obiang Nguema Mbasogo after the historic date of 3 August 1979. It is a policy aimed at ending the economic, diplomatic, and cultural policy pursued for 11 years by the previous dictatorial regime.

This observer status granted our country by the OAS constitutes, among others, a success of the political and diplomatic policy of President Mbasogo and his government, the objective of which is the development of the nation in all sectors for a better Equatorial Guinea.

Latin American Legislators Create Debt Court

PY2203134490 La Paz La Red Panamericana in Spanish 0000 GMT 22 Mar 90

[Text] Latin American legislators have decided to create an international court to review the foreign debt issue confronted by the countries of the region.

With this high-level commission the parliamentarians, who were present at the last meeting of the Andean Parliament, will have a vehicle to analyze the different aspects of the debt.

The court will have the power to rule on treatment due every nation, favoring the debtors.

Nevertheless, the Bolivian parliamentarians consider the issue to be complex and that it deserves appropriate consideration.

Cuba

EFE Cited on Expulsion of Envoy to Panama

FL2203181390 Havana Radio Rebelde Network in Spanish 1800 GMT 22 Mar 90

[Text] Panamanian Foreign Minister Julio Linares has announced that his government has given Cuban Ambassador Lazaro Mora five days to leave the country saying that Havana insists on not recognizing the new isthmian authorities. In making the announcement in a news conference, Linares cited examples of Cuba's denouncements in international forums in which it condemned the occupation of Panama by the U.S. Armed Forces for the purpose of imposing Guillermo Endara as president on 20 December 1989.

According to the Spanish press agency, EFE, the Panamanian foreign minister said he was aware that the decision to request Mora's withdrawal might lead to a break in relations with Cuba.

Toty Suarez Comments

FL2303035790 Havana Radio Rebelde Network in Spanish 0006 GMT 23 Mar 90

[Text] Panamanian Foreign Minister Julio Linares has given Cuban Ambassador Lazaro Mora 120 hours to leave the country. Linares explained that Cuba has insisted on not recognizing the government of President Guillermo Endara, who was sworn in on 20 December at a U.S. military base a few hours before that day of the ruthless Yankee invasion of the Central American nation began. The foreign minister read statements made by Cuban representatives in several international organizations saying the regime took power because of the U.S. military intervention and that power in the country is in the hands of the chief of the U.S. Southern Command deployed in Panama, General Marc Cisneros. According to a note handed to Ambassador Lazaro Mora, his stay is not justified inasmuch as the Cuban Government does not recognize the one imposed in Panama to which it should carry out its functions.

The decision taken by the Panamanian Foreign Ministry regarding Cuba is the first one of the kind implemented since the current authorities were imposed on Panama. This took place one day after U.S. President George Bush announced he was increasing his anti-Cuban campaign.

Luis Toty Suarez, president of the Revolutionary Panamanist Party, strongly condemned today the atrocities being committed at this time against the Panamanian people by the U.S. occupation army. In a lengthy interview granted to Radio Rebelde reporter Jose Armas, Toty Suarez referred to Panama's decision to expel the Cuban ambassador to Panama.

[Begin Suarez recording] Thank you very much for the opportunity given to us to tell the world the truth about Panama. I want you to know that we can expect anything from a government that was sworn in at a U.S. military base. They did not even have the prudence to avoid showing on television the right arm with a military uniform that said United States of America [preceding three words in English]. They did not even have the prudence to prevent this from being seen. All of Panama and the world saw it. The Endara government, result of a brutal military operation, has not had support in the countries of the world, and even less in Latin America. This is why they were saying openly that they did not care if they were not recognized.

Apparently now, U.S. big stick diplomacy has begun to twist arms. This is why in the last few days Argentina, Ecuador, Uruguay, and Paraguay have recognized the Panamanian Government. Therefore, since Cuba has maintained its firm and forceful position of not recognizing a government that is a product of brutal intervention, logically they want to begin to subject the brother revolutionary Cuban Government to the expulsion of a no less courageous leader than Comrade Lazaro Mora Secades who knew how to stand firm at the time when the post of chief of mission required it.

What is the role of the United States? To attempt to force the Cuban Government, through the expulsion of the ambassador, to recognize the Panamanian Government. The United States cannot justify to any country in the world the isolation being experienced by the genocide regime of Guillermo Endara Galimani that allows 26,000 Americans to enter Panama in the most absurd, brutal, beastly, and merciless way to oust a regime and impose a mercenary one which obeys to the letter what they say.

The position here is clear. This is the preamble, the beginning of a total break of relations with Cuba. However, that is not a problem. Cuba will be able to return to Panama when we, the patriots .... [changes thought] I want Cuba and the world to know that we are not exiled from the Endara government, we are political exiles from the U.S. Army who has arbitrarily occupied my fatherland. So we tell the Cuban brothers there is no problem. Lazaro Mora will be received here by all of us as a hero. He fulfilled his role during the siege on 22, 23, 24, 25 [December] when the Americans climbed the wall, when the Americans were using infrared rays; when they detained Ambassador Mora himself, Alberto Cabrera, and all the other officials, he knew how to stand tall and place high the name of Cuba, America, and the world.

So this is no problem. When this regime falls, when the Americans leave Panama defeated, the Cubans will come back through the front door and Cuba's name will be written, as always, in gold letters. [end recording]

Comparison of Rosales Comments on TV Aggression

FL2203225090

Havana Tele Rebelde Network at 1410 GMT on 22 March carries the approximately eight-minute interview with Division General Ulises Rosales del Toro on the

role of the Cuban Armed Forces in the situation created by the U.S. television aggression.

This version has been compared with the Havana Television version published in the 22 March Latin America DAILY REPORT, pages 1 and 2, and found to be identical, allowing for the following corrections and fills:

Page one, column two, paragragh two, sentence six, reads: ... oust a government through force as happened in Panama. It is a U.S. administration policy to use its institutions, including its Armed Forces, to attack our country. An example is that, it is our understanding that a U.S. military base is being used for this (?station) to broadcast. This is according to the information we get from open sources. In addition, U.S. Air Force resources are being used. That is, the U.S. Armed Forces are directly participating in this aggression. (supplying indistinct words, rewording)

Paragraph four, only sentence, reads: Does Cuba have enough technical resources to neutralize the anti-Cuban television signal? (supplying indistinct words)

Paragraph five, from sentence two, reads: We have, and the Americans know it, units to fight electronic radio signals. These units are defensive in nature. We know that their technological potential has great capabilities. However, we also have capabilities to neutralize those transmissions and develop incursions into U.S. territory [tramisiones y para desarrollar incursiones en el propio territorio norteamericano]. We believe that the defensive nature of the electronic radio war has a double purpose inasmuch as, through it, we can effectively make incursions into U.S. territory [podemos lograr a traves de ella, de una froma efectiva, de incursionar en el propio territorio de los Estados Unidos]. The Americans know it. The number of resources... (supplying indistinct words)

Paragraph nine, from sentence five, reads: ...the country's safety. They know it perfectly well. They know we can... (supplying indistinct words)

Page two, column one, paragraph one, from third sentence, reads: ...the Armed Forces are. We have a high morale and a combative disposition... (clearing word)

Delegate to UNESCO Denounces TV Marti

FL2203190190 Havana Tele Rebelde Network in Spanish 1800 GMT 22 Mar 90

[Text] Cuba has denounced to UNESCO the hostile U.S. television project against Cuba and described it as a violation of international agreements in the field of telecommunications. (Berta Verdura), the Cuban delegate to the council of the UNESCO Intergovernmental Program for the Development of Communications, stated that the U.S. administration bases itself on its technological and financial superiority to carry out this attack.

She added that this project is being put into practice without the consent of the Cuban people and [word indistinct], and disregards international agreements concerning the use of satellites and other television service equipment, in an open act of interference in Cuba's radioelectronic space. She also gave the opinion that this action would set a terrible precedent for the sovereignty of all Third World countries and would have unpredictable consequences for world peace.

Political Prisoner Released After 20 Years

PA2303025490 Madrid EFE in Spanish 0023 GMT 23 Mar 90

[Text] Havana, 22 Mar (EFE)—Alfredo Mustelier, a Cuban political prisoner, has been released after serving 20 years in prison, EFE was informed today.

The Cuban Supreme Court reduced the 25-year sentence imposed on Mustelier in 1969 to 20 years, which the political prisoner has already served, official sources announced on 21 March.

The reduction in sentence came after the state attorney general's office for matters having to do with the Cuban Supreme Court, which rules on crimes against the security of the state, requested in December that the sentence be reviewed.

Mustelier, 46, was sentenced on 9 December 1969 on charges of having acted against the stability of the nation and of having committed murder for counterrevolutionary purposes and for reasons of concealment.

Mustelier was one of three political prisoners described as recalcitrant prisoners [plantados historicos] who remained in the Combinado del Este Prison, in Havana. The other two are Ernesto Diaz and Mario Chanes, who are still serving sentences of more than 25 years.

The so-called recalcitrant prisoners are those who refuse to wear common criminal uniforms and reject official rehabilitation.

Raul Castro Attends Meeting on PCC Congress

FL2203125990 Havana Tele Rebelde Network in Spanish 1200 GMT 22 Mar 90

[Text] The guidelines established to develop the study and debate of the topics contained in the call for the fourth congress of the Communist Party of Cuba [PCC] with the participation of all the people were discussed at a meeting presided over by Army General Raul Castro, second secretary of the PCC. The meeting's primary objective was to ensure the greatest comprehension of our positions, the tasks and priorities that we undertake, and the possibilities with which we view the national and international situation. Another purpose of the meeting was to give all the people the opportunity to present their opinions and suggestions, within the full framework of socialist democracy, on the matters presented in the call for the Fourth PCC Congress.

Soviet Combatants Arrive for Medical Treatment

FL2203133890 Havana Tele Rebelde Network in Spanish 1200 GMT 22 Mar 90

[Text] A group of Soviet combatants injured in the war in Afghanistan have arrived in Cuba for medical treatment as part of the exchange between the two countries. The Soviet Committee for the Defense of Peace asked Cuba for this cooperation. (Aleksandr Nimyesayov), deputy chairman of the Afghan Veterans Commission of the Soviet Committee for the Defense of Peace, heads the group comprised of 14 combatants and two doctors. They were received at the airport by Dr. Rodrigo Alvarez Cambras, member of the Central Committee of the Communist Party of Cuba and director of the Frank Pais Orthopedic Teaching Hospital where the combatants will receive specialized medical attention. They were also greeted at the airport by Orlando Fundora, president of the Cuban Movement for Peace and Sovereignty of Peoples [MPSP], other Cuban officials, and (Vladimir Kirsislov), minister-adviser of the Soviet Embassy in Cuba, and Soviet pioneers residing in our country.

(Nimyesayov) expressed his appreciation for this humanitarian gesture made by Commander in Chief Fidel Castro, the MPSP, and the Cuban people.

Haiti

Trouillot Meets Abraham, Ministers on Violence

FL2203180290 Port-au-Prince Radio Nationale in Creole 1400 GMT 22 Mar 90

[Excerpts] Vigilance brigades are out in the streets all over the capital in the evenings now to counteract evildoers who are sowing mourning in the Haitian family. Meanwhile the police continue to search vehicles in different parts of the capital, particularly in the evenings, to see if they can catch the men rampaging about the capital killing people. [passage omitted]

At the side of the police, which are doing other work to catch killers with weapons, are the brigades standing their ground with whistles in hand. [passage omitted]

The vigilance brigades are armed with sticks, rocks, and iron bars. They say this is the only way they can defend their lives against the men who think they can take the country away from them.

In this same connection, we have learned that the chief of state, Mrs. Ertha Pascal Trouillot, met yesterday with the ministers of Interior and Justice and the commander in chief of the Army, Lieutenant General Herard Abraham, a meeting centered especially on the problem of violence and insecurity in the capital and our provincial towns. [passage omitted]

There is a total of 21 dead—among them a soldier—and at least 24 wounded in acts of violence and banditry committed in the capital and the provinces since 18 March. This report comes from AFP.

Unknown Assailant Shoots MDN President's Wife

FL2203223690 Port-au-Prince Radio Metropole in French 2155 GMT 22 Mar 90

[Text] Mrs. Michele Gaillard de Ronceray, wife of [Mobilization for National Development president] Hubert de Ronceray was shot on the left side of the collarbone this afternoon as she was driving a blue Toyota Tercel. She was on her way home in the Martissant section of town. This occurred at approximately 1630 this afternoon in Martissant. We do not have too many details on her condition or about who shot her. However, we have confirmed with members of her family that she was shot in the left side of the collarbone as she was in her car driving home.

Mrs. De Ronceray was rushed to the hospital for treatment. We do not know how she is. We will have many more details for you on our 1800 newscast, Soir Actualities.

PUCH's Theodore Comments on Security Problem

FL2203184690 Port-au-Prince Radio Metropole in French 1700 GMT 21 Mar 90

[Excerpts] [Announcer] Rene Theodore of the PUCH [Unified Party of Haitian Communists] directly accuses the Duvalierists of being responsible for the acts of violence perpetrated these last few days in the capital. Theodore also feels the security problem also depends on the president of the Republic because the Armed Forces [FADH] must be ordered out by the new government. Theodore made these statements to Nancy [reporter Nancy Roc].

[Begin recording] [Roc] Insecurity, the nation's number one problem, has made a gigantic leap forward over the past 72 hours, and fear is once again instilling itself in Haiti. The PUCH's reaction to this situation: Although certain people are afraid to name any particular sector as being responsible for the resurgence of violence in Haiti over these past few days, this is not the case for PUCH leader Rene Theodore, who directly accuses the Duvalierists of the crimes and exactions of the last few days. [passage omitted]

General Herard Abraham last week again guaranteed that he would protect the lives and property of the population. Many observers, however, note a visible absence of forces of order in the streets recently while attacks take place in broad daylight. Theodore explains to us that this shows the Army may not have the situation well in hand.

[Theodore, in Creole] [passage omitted] There is another aspect to the matter. Even if they have indeed managed to control the Army, the fact that the Army is under a civilian authority that must give it orders, tell the Army what it wants and what the Army should do, and the fact that the government had not yet finished installing its ministers and so forth, could possibly also have handicapped the Army. It is therefore difficult for us to know

whether the Army is being paralyzed by a simple administrative matter or because of contradictions within the Army itself. In any case, we note that the macoute sector is effecting a series of political maneuvers, trying to see if it can set the Army, or at least a portion of the Army, against the military hierarchy and against this current ongoing project in Haiti so they can destabilize things and create a chaotic situation.

[Roc] [Words indistinct] in the country, Theodore nevertheless thinks the population must have a minimum of confidence in the Haitian Armed Forces as an institution. He stresses, however, that the government apparatus has deficiencies and that the government is not yet in a position to confront the evildoers currently sowing terror in the streets. Thus, the population's real security remains in its own hands, says Theodore. He advises solidarity among the population from neighborhood to neighborhood and town to town to detect the criminals, counter their acts, and if possible, neutralize them so justice can be done.

Theodore added that the security problem does not depend solely on the FADH. If the country has a president, this president is responsible for everything that happens in the country, for the FADH are in the service of the government.

[Theodore, in Creole] [passage omitted] If the government does not ask anything of the FADH, it will be obliged to stand by with folded arms awaiting orders and instructions, and will be able to take action normally and legally only in cases of flagrante delicto—unless we consider that this government is not a government and that it is the Army that is still directly in power and making all the decisions. Now, that is not the case. [end recording]

[Announcer] Last, Theodore encourages the Haitian people to maintain their hopes for a better tomorrow because, and we quote: The Haitian people have the power to stop this insecurity by holding large demonstrations and mobilizing hundreds of thousands of people to show that the macoutes are worth nothing, because the dictatorship has had it, unquote.

Priest Wants Strong Measures Against Macoutes

FL2303003590 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 22 Mar 90

[Excerpts] In his latest message on the Haitian people's struggle and the situation of insecurity existing in Haiti, Father [Yvon] Massac asks the new provisional government to take all necessary measures to bar the path of the criminal assassins.

[Begin Massac recording] The provisional government should not take half measures against these murderers. Order the Army to pursue them everywhere in Haiti! The Army high command said the Armed Forces are at the orders of the civilian government. This government must shoulder its responsibilities and set the police and Army forces in motion to stop these criminals. The government must encourage the vigilance brigades throughout Haiti until we have managed to put an end this bunch of (?unscrupulous) criminals, who respect nothing and no one in Haiti! [passage omitted]

The nation's real policemen, those not connected with thieves and murderers, must manage to discover the macoutes' plot in time, before they succeed once again in striking out against defenseless citizens. [passage omitted]

This cleanup is part of the preparation for elections that the new provisional government has been given the mission of holding, because many many citizens will not want to go out and vote with the threat of another massacre like the Vaillant Street massacre hanging over their heads! [end recording]

MKN Blames Extreme Right, Left for Violence

FL2303000690 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 22 Mar 90

[Text] [First announcer] The National Cooperative Action Movement [MKN] strongly condemns, as it always has, the acts of violence and banditry being committed by both rightist extremists and leftist anarchists to prevent activities from returning to normal. The MKN categorically rejects any and all attempts by political sectors to come to power through force and violence.

Always sincere in our statements and in the positions we have taken, the MKN continues to advocate moderation and unity and to reject anything that might hurt any member of the national community in any way—regardless of that member's opinion, political choices, ideology, persuasion, or personal philosphy.

The MKN hopes that passions will subside so the rules of the democratic game can be respected and free and honest elections can be held as soon as possible, for such elections are the only true, legitimate, and credible alternative capable of leading to a constitutional government and a democratic rule of law and progress for all.

The MKN once again calls on moderate political sectors to unite their forces to achieve the victory of democracy.

[Second announcer] We must say that like General Avril, the MKN says it is the extreme right and the extreme left that are committing the acts being committed in Haiti at present.

Peasants' Group Comments on Violence, Elections

FL2303002990 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 22 Mar 90

[Excerpts] After remaining silent for some time, the Papaye Peasants Movement [MPP] is heard from once again. Last 20 March, the MPP celebrated the third anniversary of its first congress of peasant groups. [passage omitted]

MPP feels Haitian history shows that all Haitian governments have always acted against the interests of poor peasants, of the general population. However, this does not keep the Papaye peasants from believing that Mrs. Trouillot's government might be able to do something for poor peasants, because—they say—there are credible people in that government, and if these people do not allow themselves to be swallowed up by the government structures, the government may be able to do something for poor peasants. Therefore, MPP is waiting to see what the government does before passing judgment on it. [passage omitted]

[Begin Jean-Baptiste recording] And for there to really be a cleanup in the country, there must be a political will to clean up. This political will must be held by the provisional government, and by the Council of State that assists it; but the Army must also be willing. But the will of the government and the Army is not enough. There must also be a mobilization on the part of the population. That means the population itself must mobilize and organize itself and denounce the macoutes and the criminals. However, when they make denunciations—for example when the peasants denounce the section chiefs that are repressing them—the Army and the government must listen. They must fire those section chiefs, satisfy the people. And if some of the section chiefs committed crimes, they must be put in jail.

For us, cleanup does not mean chopping off heads and burning down houses. No. It means arresting the people who have committed crimes. Arrest them, put them in jail, try them for their criminal acts, and sentence them so they will no longer be able to do the population any damage. Disarm the macoutes, and this can only be done by the Army. It is up to the Army and the government to support each other and there must be a mobilization of the population. [end recording]

Despite the fact that the provisional government's principal mission is to hold elections, MPP thinks it should not rush to hold hasty elections because the population's participation in elections and the holding of credible elections is connected with the satisfying of many of the population's demands.

Caricom Team To Review Country's Needs in April

FL2203233690 Bridgetown CANA in English 1625 GMT 22 Mar 90

[Text] Port of Spain, Trinidad, March 22, CANA—A team of Caribbean Community [Caricom] foreign ministers will return to Haiti mid-April to review what help the Haitian people and the country's new civilian administration want from their Caribbean colleagues and the wider region.

Member of the former team, Trinidad and Tobago's external affairs minister, Senator Dr. Sahadeo Basdeo, said the same team had been mandated by Caricom heads of government who met this week in Barbados to revisit Haiti following the exit of military leader, General Prosper Avril.

The team, comprising Basdeo, Jamaican Foreign Minister David Coore, Bahamas Foreign Affairs Minister Charles Carter, and Neville Cenac of St. Lucia, will visit from April 16 to 19.

They are likely to be accompanied or followed by a team of electoral experts originally scheduled to help Avril work towards elections in Haiti before the general appeared to swing from his initial commitments.

Basdeo told CANA that the team had been mandated to find out specifically what the new administration of Ertha Pascal Trouillot actually wants from the neighbouring Caricom and beyond. Based on this, Basdeo said the 13-member Caricom grouping would then be in a position to determine how much international assistance it should try to drum up in the western hemisphere.

"We in the Caricom believe the time now is right to influence the OAS (Organisation of American States), the U.S., and Canada to help Haiti," Basdeo told CANA in an interview reviewing trade and foreign ministerial mandates set by the Barbados meeting.

"If we feel there is a genuine attempt to move in the direction of democracy...The US, Canada, the OAS and the Caribbean should help this," Basdeo said.

CEP Members Resign, Await Reconfirmation

FL2203171190 Port-au-Prince Radio Metropole in French 1700 GMT 21 Mar 90

[Excerpt] On 16 March, the nine members of the third CEP [Provisional/Permanent Electoral Council] submitted their resignations, while waiting to either be reconfirmed or not by the institutions that had chosen them. This resignation by the CEP had been demanded by numerous political groups. [passage omitted]

Union Federation Removes Leadership Committee

FL2303002290 Port-au-Prince Radio Nationale in Creole 1400 GMT 22 Mar 90

[Text] We have here a press release from the CAT, C.A.T. [acronym as heard], Autonomous Organization of Haitian Workers [name given in French: Centrale Autonome des Travailleurs Haitiens].

Jean Auguste Mesyeux, Joseph Manusi Pierre, Gabriel Miracle, Edouard Pierre, Fignole Saint-Cyr, (Atman Jean-Baptiste), Joel Louissaint, and Gesner Milcent are no longer authorized to speak in the name of the Autonomous Organization of Haitian Workers, (?CAT). These people have been removed from within the (?CAT) because of the stands they have taken and because of the way they have behaved within this union institution—says a statement approved by 54 unions affiliated with (?CAT).

A general assembly was held and (?this assembly voted) by virtue of Article 54 on the statutes of the Autonomous Organization of Haitian Workers. They decided to do this in view of a climate of anarchy and an undemocratic manner of proceeding that existed within the union federation's leadership, and considering workers' and peasants' difficulty in validly defending their rights.

Meanwhile, the unions signing this statement have decided to elect a provisional leadership committee, which will be in charge of organizing the union federation's next congress.

This press release bears the signatures of 54 unions affiliated with C.A.T.H., Autonomous Organization of Haitian Workers.

Foreign Minister on Integration With U.S.

PA2303035390 Paris AFP in Spanish 1109 GMT 22 Mar 90

[Text] Mexico City, 21 Mar (AFP)—Mexican Foreign Minister Fernando Solana said that Mexico's rapprochement with the United States will not lead Mexico "to either cultural fusion or to integration in any sense" with the neighboring country to the north. The relationship between Mexico and the United States "is not easy" because there are "problems not only derived from drug trafficking, but also from the coexistence of two such dissimilar and unequal countries" said Solana in an interview published on 21 March in the Mexican weekly magazine MIRA.

The minister admitted that Mexican-U.S. relations are experiencing good times and that both countries have come to realize it is better to resolve differences "by cooperation and not through conflicts."

"We should connect ourselves as much as possible with all parts of the world," but we must not forget "that we are Latin Americans," said Solana, who denied that there is a lack of interest in the area on the part of the Mexican Government.

Solana said that in Central America there is a new political profile, although he clarified that it was different in the case of Panama because it is "an invaded country, on which the government has already expressed its position."

Lastly, he said: "I hope that the Cubans, the people and their leader, find their own solutions according to their history, their interests, and their viewpoints, to assume the place where they belong in a changing world that is being built every day."

El Salvador

Government Wants Change in Regional Summit Date

PA2203144390 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 22 Mar 90

[Text] Information Secretary Mauricio Sandoval has said that President Alfredo Cristiani's visit to Caracas cannot be postponed.

According to the official spokesman, the Foreign Ministry has been undertaking efforts so that the Central American countries will change the date for the presidential summit, scheduled for 31 March, to 1 April. Sandoval added that the purpose is to facilitate the presidential meeting, which will be of great importance in light of the opportunities for a new round of negotiations with the guerrillas.

Guerrillas Seize Radio Station, Air Message

PA2303024290 Panama City ACAN in Spanish 0130 GMT 23 Mar 90

[Text] San Salvador, 22 Mar (ACAN-EFE)—For the second time this week, Salvadoran guerrillas tonight seized a San Salvador radio station and broadcast a message calling for the people to fight President Alfredo Cristiani's government.

The message, broadcast over Radio Cadena Central, included the guerrilla proposal to suspend attacks on civil servants and to halt the sabotage of the transport and telecommunications systems and businesses, which became effective on 16 March.

"The government is manipulating our message," a recording broadcast by the station said. The rebel's information was broadcast at 2350 GMT after the station's personnel were tied up.

This same message was broadcast over Radio Cadena Sonora on 19 March, in an action similar to the one that took place today at Radio Cadena Central.

"We call on the people to join the struggle for a democractic government representing all sectors of Salvadoran society. We call on all people to join the struggle against the unpopular decrees," the communique said. The communique was repeated several times for about 25 minutes.

After the message was broadcast, the radio station went off the air for about 10 minutes, returning afterward to its regular Mexican music program.

Radio station personnel told ACAN-EFE that four armed people—three men and a woman—arrived and tied up about 10 people who were at the station, including announcers, reporters, and administrative personnel.

They said none of them was harmed and no threats were made, but the armed group left after starting the recording.

Shortly afterward, three National Police patrol cars and 1st Infantry Brigade soldiers arrived to take away the recording and question the personnel.

Air Force Commander's Son-in-Law Wounded

PA2203230990 Panama City ACAN in Spanish 1908 GMT 22 Mar 90

[Text] San Salvador, 22 Mar (ACAN-EFE)—Otto Sorto Milla, the son-in-law of General Rafael Villamariona, chief of the Salvadoran Air Force, was wounded in an attack in San Salvador today. He is in "serious condition," according to military spokesmen and doctors.

The sources pointed out that Sorto Milla, 25, was machine-gunned from a moving vehicle while leaving his home, located in the luxurious San Francisco neighborhood in southwest San Salvador.

Doctors told ACAN-EFE that Gen. Villamariona's son-in-law is "in serious condition" at a private hospital, where he was admitted at 1030 (1630 GMT). They did not specify where the bullet wounds were or the number of bullets that hit him.

Military spokesmen said that Sorto Milla had bullet wounds in several parts of the body, but they refused to provide more details as long as the police are conducting investigations to capture the assailants.

Gen. Villamariona, considered one of the hard-line military chiefs of the Armed Forces, was appointed to his present post in January of this year replacing General Rafael Bustillo, who was appointed military attache in Israel.

The Salvadoran Air Force (FAS) played a key role during the last guerrilla military offensive in November 1989, and it was accused by opposition groups, humanitarian organizations, and the Catholic Church of indiscriminately bombing poor neighborhoods of the capital to dislodge reported guerrilla redoubts.

The attack on Sorto Milla took place a week after the Farabundo Marti National Liberation Front (FMLN) suspended its attacks on civilian government employees to contribute to the creation of conditions for the resumption of the dialogue with President Alfredo Cristiani's government.

Official sources have not disclosed who they believe carried out the attack or provided any background information on Sorto Milla.

Bank Announces Steps To Stabilize Exchange Rate

PA2203141890 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 21 Mar 90

[Text] The Central Reserve Bank has undertaken measures to stabilize the exchange rate. One of these measures calls for any exports to Guatemala, Honduras, and Panama to be charged in dollars. This measure will take effect on 1 April in order to achieve a gradual economic growth. Another measure adopted involves imports being paid for in dollars. Finally, it has also been announced that coffee revenues, loans and public transfers, as well as payments for oil imports will be paid by the Central Bank at the current exchange rate.

Guatemala

Christian Democracy Leader Murdered in San Marcos

PA2203192590 Panama City ACAN in Spanish 1741 GMT 22 Mar 90

[Text] Guatemala City, 22 Mar (ACAN-EFE)—Daniel Solorzano, assistant secretary of the ruling Guatemalan Christian Democracy was shot and killed on 21 March by unidentified men, the police reported today. Solorzano, who was 45 and the municipal mayor of San Pablo (San Marcos Department), was found in the Cabuz River in Malacatan Municipality, the sources said.

No one knows the motive for the political leader's murder in San Marcos, a department where the guerrillas have been active in recent days.

Early on the morning of 21 March, rebel groups detonated eight bombs in front of the homes of government and municipal officials in this department. Two people were injured.

Honduras

Foreign Minister Discusses Contras' Demobilization

PA2203224190 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 22 Mar 90

[Report on interview with Foreign Minister Mario Carias Zapata by unidentified reporter in Tegucigalpa; date not given—recorded]

[Text] [Reporter] Foreign Minister Mario Carias Zapata attended the meeting between the U.S. Ambassador and President Rafael Callejas. We asked him about the withdrawal and the agreement reached with Mr. Temistocles Ramirez, which resulted in the Honduran Government receiving the $5 million that had been withheld.

[Carias] Part of this issue was settled in Washington. The Honduran diplomatic mission in Washington was aware of this matter. The funds had been withheld to await a decision on the compensation requested by Mr. Ramirez and the Honduran Government, but a settlement has recently been reached.

[Reporter] Do you have any details on this settlement?

[Carias] I honestly do not have any information at this moment. We would have to verify the details with the Central Bank.

[Reporter] It seems that the U.S. ambassador has reacted unfavorably to the National Congress' request for compensation because of the presence of the contras?

[Carias] Right, he believes that the compensation being requested through the National Congress is inappropriate. The truth is that this is a very complex problem. Obviously, the decision by the Honduran Executive Branch is to proceed according to the National Congress resolution. The government also wants to obtain financing for the resettlement of Hondurans in El Paraiso, and the necessary support to promote economic activities in that sector.

[Reporter] Mr. Foreign Minister, if the U.S. Government brought the contras here, why do they not take them away?

[Carias] Concerning the contras, we will continue all avenues of consultations at the level of the Nicaraguan Government and the Nicaraguan Government-elect, because it is of utmost importance that the contras peacefully return to Nicaragua so that there can be a democratic transfer of power in Nicaragua. I believe we will have more intense consultations this weekend, as well as a UN resolution. My opinion, and that of the Honduran Government, is that the United Nations should deploy its people inside Nicaragua as soon as possible. That would be the best guarantee to carry out the repatriation. We are surprised that the CIAV [International Commission of Support and Verification] has taken no action thus far to send the CIAV people to Nicaragua, and possibly to our border and the Costa Rican border.

[Reporter] According to the Foreign Minister, the United States has not yet asked that the request [for compensation] be withdrawn. We asked the minister about this.

[Carias] It was a decision of the Honduran Congress. It has not yet been conveyed to the Foreign Ministry. We must analyze various mechanisms once we receive the pertinent documents.

[Reporter] A final question. The contra matter has been going on for several years. How did this situation actually originate, and to whom can it be attributed?

[Carias] I understand [words indistinct]. In any case, I am not aware of this. As you know, this is a situation that has evolved since 1983 or perhaps 1984, with an initial clandestine operation to prevent the trafficking of weapons and guerrillas to El Salvador. Then the contras expanded and became well-known. This has been happening over the past eight years. The Honduran Government of President Callejas has tried to implement the Esquipulas and Tela Agreements—which have entrusted

international groups such as the CIAV with demobilization and repatriation. Obviously, our Armed Forces also have the constitutional duty to protect the country's territorial integrity. They have expressed their willingness to exert all necessary control in the border area. Finally, since the beginning of this term, President Callejas entrusted the government minister to establish the necessary contacts with the [Nicaraguan] resistance to attain the [contras'] peaceful demobilization. The government minister yesterday confirmed that he is intensifying contacts. The aim is to prevent confrontations now, at a time when we are reaching pacification in Central America, and when Nicaragua will have a new government run by Mrs. Chamorro. I believe we should continue exploring all these possibilities to make possible the return of disarmed contra combatants to Nicaragua.

Human Rights Group Accuses Armed Forces of Murder

PA2303040390 Panama City ACAN in Spanish 2126 GMT 22 Mar 90

[Text] Tegucigalpa, 22 Mar (ACAN-EFE)—The Honduran Human Rights Defense Committee (Codeh) accused the Special Forces of the country's Armed Forces of murdering a cooperative leader, identified as Denis Hernan Rodriguez.

Codeh President Ramon Custodio said that Rodriguez was arrested Monday night in Talanga, in central Honduras, by people identifying themselves as belonging to the Department of National Investigations (Secret Police).

He added that his captors told Rodriguez's wife that "if she wanted to see him she should go to the Special Forces' headquarters," in La Venta, a few kilometers from Talanga.

The next day, relatives and friends of the man went to the various military units, where they were told that he was not being held.

Rodriguez, a member of the minority Honduran Christian Democratic Party (PDCH) and a peasants organization, was found dead at the entrance to a farm at the Rio Dulce community, about three km from Talanga.

The Codeh announced that it is requesting an autopsy to determine how the cooperative leader was murdered.

"If current President Rafael Leonardo Callejas does not put an end to these irregularities, he will leave office with the same record as the previous president, who permitted all types of violations of human rights," the Codeh president added.

Nicaragua

Vice President-Elect Says 'No Place' for Contras

PA2203145690 Paris AFP in Spanish 1141 GMT 22 Mar 90

[Text] Madrid, 22 Mar (AFP)—Virgilio Godoy, vice president-elect of Nicaragua, has said that there is no place for the contras in the first stage of the government in Nicaragua. Godoy's statements were published in today's edition of the Spanish daily, EL INDEPENDIENTE.

"We cannot include the contras in the Army," he said, "as this would be like pouring gasoline on a fire. They are not going to hold any position in the new government, either," he added. Godoy stressed that the contras continued mobilization "leaves us indifferent." He then explained that the government "could demobilize them in a jiffy. The contras believed that they were with the UNO [National Opposition Union], but we have always told them that we had no ties or commitments with them."

However, he talked about providing conditions which would allow them to rejoin the mainstream.

Virgilio Godoy accused the Sandinists of having destroyed the Nicaraguan economy: "The war helped to destroy the economy, but there was also incompetence and corruption (...) It was not the Americans who armed and financed the contras and who created the crisis; it was the FSLN [Sandinist National Liberation Front], who fell into the trap and armed themselves to the teeth. Now they are leaving the national treasury empty. The Sandinists are expecting us to fall in the first month. They are preparing the chaotic scenario."

As for the problem of the 700,000 [as received] men in the Army, Godoy feels that it is impossible to drastically reduce the Army. "What I can tell you is that several civilians have been nominated for defense minister, but the military command of the Army will be in the hands of Sandinist military cadres...I know of two Sandinist military chiefs who have already prohibited political agitating among their troops."

When asked if they are planning to oust the foreigners from Nicaragua, the vice president immediately answered: "Yes. Anyone who is not a 'Nica' (Nicaraguan) should go home. It is unacceptable and intolerable that foreigners should continue to meddle in the internal affairs of our country."

Ortega Says Chamorro Should Not Eliminate Army

PA2203224890 Madrid EFE in Spanish 1711 GMT 22 Mar 90

[Text] Caracas, 22 Mar (EFE)—Nicaraguan President Daniel Ortega reiterated in an interview published in Caracas today that the new Nicaraguan president-elect, Violeta Chamorro, should not eliminate the army.

In an interview granted to the Caracas newspaper EL NACIONAL, Ortega said that Chamorro should respect the military hierarchy and warned that in Latin America, a president who attempts to eliminate the army is exposed to a military coup.

The Nicaraguan Constitution empowers the president to appoint ministers; however, military institutions have their own bylaws. The most important point is that the existence of the army should be respected, within the constitutional framework, Ortega said.

The Nicaraguan president, who should hand power over to Chamorro on 25 April, pointed out that the chief of state is not empowered to amend the Constitution, a function solely of the National Assembly, and the opposition did not obtain enough votes to carry out this kind of reform.

Ortega said that Nicaragua has been subject to a war promoted by the United States, which has caused over $15 billion in loses.

Ortega also said that during the February elections, the United States threatened Nicaraguans with the slogan that if they voted for the Sandinists, it would continue to squeeze their necks until they suffocate, but if they voted for the other option they would have peace.

THe Nicaraguan president maintained that 41 percent of the people voted for dignity, independence, and sovereignty, while 51 percent voted out of desperation, rather than for Somozism and the counterrevolution.

However, concerning the electoral issue, Ortega added that all of them together represent a vote for peace.

Editorial Says Quayle 'Reneged' on Promise

PA2303140190 Managua BARRICADA in Spanish 21 Mar 90 p 3

[Editorial: "Quayle's Denial"]

[Text] On 12 March, because of the meeting between Daniel Ortega and Dan Quayle in Santiago, Chile, the U.S. vice president promised a quick demobilization of the contras.

After meeting with the contras four days later, on 16 March, Mr. Quayle totally reneged on his promise. Using an alleged symmetry between the Sandinist People's Army and the contras, Quayle said the United States will demobilize the contras "when Violeta Chamorro shows she can establish democracy and peace...then, both sides will abandon their weapons and there can finally be peace in Nicaragua."

Mr. Quayle's denial is highly dangerous because by justifying the contras' refusal to disarm, he is endangering the process of governmental transition which to date has been advancing in a peaceful and orderly way.

The alleged lack of guarantees and the alleged "danger" faced by the contras who immediately demobilize have been denied on repeated occasions by the thousands of former GN [Somozist National Guard] members, pardoned former contras, and contra leaders who have accepted the amnesty.

The other argument used by the U.S. Government, the contras' alleged autonomy, is also groundless. The mere fact that the United States has and continues to aid the contras with funds from the U.S. taxpayers established the contras' well-known total and absolute dependence on the United States.

Those arguments show that there are sectors in the United States which are trying at all costs to evade their responsibility to Nicaragua and the international community because of their policy of interfering in the domestic affairs of other states.

In truth, the basic problem in all of this is Washington's attempt to impose a prefabricated symmetry between the U.S.-financed mercenary army and Nicaragua's constitutional army.

It is also interesting that while Quayle has voiced plans to renege on his promise to immediately demobilize the contras, Assistant Secretary of State Bernard Aronson has called for the installation of the UN peace forces "as rapidly as possible."

Might this be a correction by Aronson and a disavowal of Quayle's statement?

In reality, as long as facts do not confirm the demobilization of the contras, the demobilization will remain both unnegotiable and absolutely essential for the transition of the government.

The expansion of the functions and powers of ONUCA [UN Observer Group in Central America] and the contingent of UN troops to fulfill the Central American presidents' mandate to demobilize the contras is also a task that cannot be postponed.

It is time for the United States to do its share. It is also time for the promises made by Mr. Quayle in Chile—promises that were apparently reiterated by Assistant Secretary Aronson—to become a reality.

If Aronson and the U.S. Government are sincerely interested in contributing to the transition of the government in Nicaragua, the immediate demobilization of the contras must be the thermometer to gauge its intentions. They should begin by allocating to the UN peace forces the $32 milion that Congress is currently being asked to approve for the contras.

Ortega, Obando Hold News Conference

PA2303010690 Managua Domestic Service in Spanish 2230 GMT 22 Mar 90

[News conference by President Daniel Ortega and Cardinal Miguel Obando y Bravo at the Episcopal Curia with unidentified reporters; in Managua—live]

[Text] [Ortega] We are not going to be able to talk this way, with all this shoving. This looks like a meeting, or as if we had 1,000 reporters packed in here. You can make yourselves comfortable.

We are here to speak once again about peace, taking into consideration that tomorrow he [Obando y Bravo] will be leaving for Honduras leading a delegation to meet with the contra chiefs so that Nicaraguans who have been involved in counterrevolutionary activities can disarm and demobilize.

Right now there is an agreement between the incumbent government of Nicaragua over which I preside, the government-elect of Mrs. Chamorro, and the U.S. Government, which organized and financed the counterrevolutionaries. I spoke with Vice President Dan Quayle in Chile and Brazil. The region and the international community agree that for Nicaragua to be able to face its grave economic and social problems, it is necessary to have stability. To have stability, the contras must be disarmed and demobilized by 25 April.

The big challenge facing all Nicaraguans is the disarming of the contras prior to 25 April and the ending of violence after 25 April. Then Nicaraguans can attend to the country's grave social and economic problems.

I have told Cardinal Obando y Bravo that he can tell the contras they have the Nicaraguan Government's guarantee that they can return to the country where resources will be made available to them so that they can resettle in Nicaraguan territory. This has been done for thousands of contras who have put down their weapons and for thousands of Somozist guards who have been released by the Nicaraguan Government.

The contras no longer have any valid pretext for using their arms against the Nicaraguan people or government. There is no excuse for violence. We have gone through an election process that has been fruitful and exemplary for Nicaragua and Latin America. We are now struggling to end the war by 25 April.

The Nicaraguans who have been involved in counterrevolutionary activities must now act like Nicaraguans, put down their weapons, accept peace, and dedicate themselves to working in our country. That is what I have discussed with Cardinal Obando y Bravo. He will travel to Tegucigalpa tomorrow morning. Upon his return, I will meet with him and with the delegation he presides over to learn the results of this meeting—which is essential and extremely important, and—logically—worries all the Nicaraguan people.

[Reporter] [Question indistinct].

[Obando y Bravo] Yes. The delegation sent by Mrs. Violeta will leave tomorrow. It is comprised of Engineer Julio Lacayo, Dr. Emilio Alvarez Montalvan, and Mr. Jaime Cuadra. I will travel accompanied by Msgr. Bosco Vivas and Dr. Rivas. We will leave at 0700, God willing, and we will try to begin the talks in Tegucigalpa. We will return tomorrow if possible.

[Reporter] With whom will you meet? Which commanders will you specifically meet with?

[Obando y Bravo] We have asked for the leaders of the armed resistance, meaning people who are capable of making decisions. I do not recall the names right now, but we have stated that we must necessarily meet with leaders who are capable of making decisions.

[Reporter] Could they be the same ones who went to the United States?

[Obando y Bravo] I do not know because the incoming government has also held some talks. I do not know the names. Commander Franklin, one of the leaders, will probably be there.

[Reporter] [Question indistinct].

[Obando y Bravo] One has hope every time one embarks on a trip. I would not travel if I had no hope. I always hope that we will be able to achieve the peace that we have longed for in Nicaragua. I have said many times that Nicaraguans must try to solve their own problems in a civilized way. The civilized way is to put down the weapons, abolish acts of violence, understand each other, and solve problems in a political manner.

[Reporter] Have you contacted the Honduran authorities for this meeting [words indistinct] situation of the contras in Honduran territory?

[Obando y Bravo] The Honduran bishop is from my same congregation, meaning the bishop and the auxiliary bishop, but we have tried to involve them in this issue. I believe they know that the resistance is there, but they do not get involved in the problem. We know about this and the commission going on behalf of Mrs. Violeta has been in contact with the commission sent by the Honduran president. A commission came here comprised of the congress secretary, political adviser, and president. They have also helped coordinate this event.

[Reporter] Referring to the situation of kidnapped persons [words indistinct]. What will happen now? Have you adopted a position on this [words indistinct]?

[Obando y Bravo] The commission sent the last time could not reach the place because they were told that the issue should be discussed between governments. I have always insisted on the issue of the kidnapped persons—in the Dominican Republic, Costa Rica, Guatemala,

Sapoa, EL Camino Real, and during a recent visit to Washington and New York. Tomorrow we will discuss the issue again. Thank you.

[Ortega] [Words indistinct] Cardinal Obando y Bravo's concern about the illness afflicting Father Fabrizio and Father Maurice.

[Obando y Bravo] Thank you, Mr. President.

[Reporter] Any information on [words indistinct].

[Ortega] [Words indistinct].

[Reporter] Any statement on the [words indistinct] willing to return and abandon the struggle?

[Ortega] There is undoubtedly a group of contras who do not want to put down their weapons and they are willing to continue the war. They must understand that this would be—and will be—repudiated by all the Nicaraguan people. All the people who voted on 25 February voted against war and in favor of peace.

[Reporter] When [words indistinct] releasing the group? How many men are involved?

[Ortega] I cannot give the details right now. We must wait for the results of the commission's visit tomorrow so we can accurately calculate how many people are in favor of a disarmament and how many people oppose a disarmament.

[Reporter] What are the guarantees?

[Ortega] The guarantees that they have. The guarantees that all those who return to Nicaragua have. They have their civil rights, they have the possibility of working, they have been given facilities to work, and [words indistinct] resources so that they can settle down.

[Reporter] Does the Cardenal have a new proposal?

[Ortega] No.

[Reporter] Mr. President, have you signed an agreement on the contra issue?

[Ortega] We are trying to set a date for this because the presidents had previous commitments and visits. We believe that the date could be 1 and 2 April.

[Reporter] They have demanded that their belongings be returned.

[Ortega] That is not important.

[Reporter] [Words indistinct] government in the meeting?

[Ortega] No.

U.S. Economic Delegation Arrives

PA2203232490 Managua Radio Sandino in Spanish 1930 GMT 22 Mar 90

[Text] A U.S. Government economic delegation arrived in Nicaragua today to learn directly the cooperation needs of the country. They will meet with officials of President Daniel Ortega's administration and with representatives of President-elect Violeta Barrios de Chamorro.

A Foreign Ministry report announced the arrival of Joseph Sullivan, [State Department] assistant secretary for Inter-American affairs; John Harrington, State Department director of Latin American economic affairs; and Susan Swain, a Treasury Department official. Several AID officials are also included in the U.S. delegation. The visitors will meet with officials from the foreign cooperation, agriculture, and planning and budget ministries, as well as officials from the Central Bank, to establish procedures for cooperation with Nicaragua.

Apparently President Daniel Ortega had invited the U.S. officials, when he met with Vice President Dan Quayle in Santiago, Chile last week. The high-ranking officials met during events surrounding President Patricio Aywlin's inauguration and they talked about political matters.

Japanese Official on Interoceanic Canal

PA2303034190 Madrid EFE in Spanish 1841 GMT 21 Mar 90

[Text] Mexico City, 21 Mar (EFE)—Japanese Senator Kanji Inoki said here today that Japan is interested in building a interoceanic canal through Nicaraguan territory, which will compete with the Panama Canal.

Before leaving for Managua where he is scheduled to meet with President-elect Violeta Chamorro, Inoki stated at the airport that the project to unite the Atlantic and Pacific oceans through Nicaraguan territory would be completed in 10 to 15 years and would cost $10 billion.

Inoki added that the project is "feasible" because the Panama Canal represents a "complicated economic and political problem due to the U.S. presence in Panama."

In Inoki's opinion, "one would have to seek new alternatives based on the needs of international trade and maritime traffic projections between the Pacific Basin and the Atlantic Ocean in the 21st century."

Although he admitted that there is no concrete project, he stressed that it is necessary to begin talks on the issue with the Nicaraguan authorities because "Japan would be willing to offer Nicaragua help for its speedy social and economic recovery."

Kanji Inoki, president of the Commission of Sports for Peace, is presently on a tour of Latin America, where he

attended the inauguration of Brazilian President Fernando Collor de Mello. In addition, he met in Mexico with Raul Gonzalez, president of Mexico's National Commission of Sports.

After visiting Nicaragua, the Japanese senator will visit Cuba, where he is scheduled to meet with Fidel Castro.

USSR Willing To Continue Bilateral Cooperation

PA2303020490 Managua BARRICADA in Spanish 18 Mar 90 p 6

[Text] The Soviet Union is willing to continue providing assistance to Nicaragua in the education sector, within the framework of the inter-governmental cooperation agreements on cultural and scientific cooperation that have existed since March 1980.

However, this year the biennial intergovernmental Soviet-Nicaraguan agreements will expire. The agreements were signed 10 years ago; therefore, the education agreements will also have to be renewed within the next few months.

Alexei Karpov, cultural attache at the USSR Embassy in Managua, has officially reaffirmed the Soviet Government's willingness to continue providing cooperation in all areas of bilateral cooperation to the new administration of President-elect Violeta Barrios de Chamorro.

The cultural and scientific cooperation encompasses not only higher technical and superior education, but also arts and sports. It also includes supplying equipment and materials, sending teachers, and granting scholarships for Nicaraguan students and professionals.

Interviewed by BARRICADA, the USSR Cultural Attache said that currently over 1,500 Nicaraguans are studying at Soviet universities. So far, over 800 have graduated from Soviet universities.

From the preceding, it can be inferred that in the past decade, an average of 250 Nicaraguans have left the country each year to study in the USSR through scholarships. The scholarship holders covered 40 specialities at approximately 170 education centers in several Soviet cities, the diplomat reported.

He explained that the education agreements are intended to achieve three main goals: sending professionals and specialists to Nicaragua so they can teach at higher education centers; granting scholarships; and furnishing material and equipment for mid-level technical training.

Alexei explained that the Soviet Union is constantly sending equipment, material, and teaching staff to three technical education centers—the Agrarian and Livestock Center in Sebaco; the Simon Bolivar Energy Center in Managua; and the Polytechnic Center in Leon.

When asked about possible changes in Soviet cooperation because of the economic and political reforms in the USSR, Alexei Karpov said that the possibility of increasing and strengthening the ties of friendship and cooperation between the two nations' university centers has been reviewed since last year.

Karpov said that the great changes experienced both in the Soviet Union and Nicaragua include university autonomy. This gives the universities greater rights and independence to carry out bilateral exchanges. For example, a Foreign Language Institute delegation visited Nicaragua in 1989 to sign an agreement with the Central American University (UCA). This cooperation included teaching the Russian language. The UCA has been offering this course since 1987; therefore, the first students have now graduated.

The Soviet official believes there has only been one problem in the educational cooperation with Nicaragua. This happened last year, when 250 graduates returned and could not find the necessary conditions to work in the country. Some even had to emigrate.

3 Civilians Killed in Contra Ambush

PA2203191690 Panama City ACAN in Spanish 1750 GMT 22 Mar 90

[Text] Managua, 22 Mar (ACAN-EFE)—Three civilians were killed and one was wounded in an ambush staged on 20 March by a group of contras in the Atlantic coastal area of Nicaragua, the Managua government radio reported today.

The victims of this attack are Modesto Garcia, a Sandinist militant; Yader Palacios, who was seven years old; and Francisco Castro, who was 80 years old.

All three were riding with Carlos Lagos, who was also wounded, in a jeep in the San Juan area, on the northern Atlantic area.

Contras Reportedly Infiltrate From Honduras

PA2303132090 Managua Radio Sandino in Spanish 1200 GMT 22 Mar 90

[Text] Residents of the country's northern region have reported new, mass infiltrations of contras from Honduras who penetrate deeply into the mountains to continue sowing terror among the area's inhabitants.

According to Marvin Flores, political secretary of the Sandinist Front [Sandinist National Liberation Front], peasants have reported that contras are infiltrating through Jicaro and Murra and that they steal, kidnap, and murder anyone who does not cooperate with their vandalism. He added that another objective of the contra groups is to attack positions of the Sandinist People's Army as part of the plan not to surrender their weapons when the time comes for them to demobilize as stipulated in the agreements signed by the Central American presidents.

The inhabitants of Jicaro and Murra and the people's militias have stepped up the revolutionary surveillance

in view of the presence of contra groups led by rebel leaders Dimas, Oscar, and Green.

Camoapa Residents Report Distribution of Weapons

PA2303013390 Managua LA PRENSA in Spanish 20 Mar 90 pp 1, 12

[Article by Julio Cesar Armas: "Weapons and Military Officers Terrorize Boaco"]

[Text] The distribution of weapons among criminals and irresponsible people continues in Camoapa, Boaco Department.

Citizens who reside in that area have signed a letter to Lieutenant Marlon Gonzalez, commander of the Sandinist Police in Camoapa, giving dates and the names of the individuals who delivered weapons.

The letter states that at approximately 2030 on 15 March, Sandinist People's Army [EPS] Lieutenant Joaquin Sandoval arrived at the residence of Antonieta Lagos in the San Martin neighborhood and later at the residence of Nicasio Guadamuz in the Ramon Obando Mairena neighborhood, where they delivered AK rifles and a large amount of ammuniton.

The weapons and ammunition were brought to Camoapa in a MAZ-3 truck bearing licence plate number BQ-0170 owned by the "Modesto Duarte" company and driven by Armando Montoya.

Antonieta Lagos and Nicasio Guadamuz distributed the weapons that same night after midnight. The following 22 people are among those who received weapons: Francisco Flores, Keila Lagos, Juan Carlos Centeno, Chico Venancio, Ronald Martinez, Federico Campos, Marla Rosales, Francisco Martinez, Aminta Figueroa, Ruth Rivera, Corsino Rivera, Claribel Figueroa, Lester Salazar, Juan Jose Martinez, Alejandro Lagos, Antonio Lagos, Emilce Vilchez, Yanipsia Rosales, Tonito Lagos, Benjamin Juarez, Dinorah Mejia, and Nicasio Guadamuz.

The Camoapa residents stated that weapons are also being distributed at the "Red Ranch" Peasant Development Center, as well as in Las Lajas, Yalguas, Salinas, and other places.

Citizens in those areas are alarmed, because the weapons are falling into the hands of people who have records of aggressive and fanatic behavior.

Local UNO [National Opposition Union] leaders in Camoapa, Boaco Department have reported to international observers that EPS member Cleto Ordonez has plans to cut the electricity in that town during the night, permitting soldiers to raid the homes of opposition leaders. Military commanders in Camoapa are offering salaries of up to 5 million cordobas and an AFA [rice, beans, and sugar] food package to get young soldiers willing to carry our an operation against UNO leaders in Camoapa at any time.

In a letter to ONUVEN [UN Observer Mission for the Verification of Elections in Nicaragua], Silvio Salazar, Raymundo Barcia, Jorge Duarte, Andres Guevara, Antonio Cruz, Alejandro Ortega, and Jose Luis Sandoval—UNO leaders in the area—have reported that military commanders are instructing soldiers to store weapons, telling them that the country is heading toward a civil war.

UNO leaders in Camoapa have informed ONUVEN that soldiers of Battalion 5-13 have stored "200 KM rifles with 45,000 rounds of ammunition, 60 cutlasses, 60 belts, 150 Bulgarian uniforms, 60 hammocks, 60 yards of black plastic, 5 quintales of rice, 6 quintales of beans, 3 quintales of sugar, 6 cans of cooking oil, 1.5 quintales of cereal, 13 cases of sardines, 10 cases of stew, 3 boxes of condensed milk, and other articles."

The letter also mentions the names of military bases known as "copetes," where a large number of young soldiers are deserting, and where military commanders are spreading the word that "any reservist who deserts after the elections will be taken out of his home and returned to Battalion 5-13 tied to a horse's tail.

Defense Ministry Reports Contra Actions

PA2303135290 Managua EL NUEVO DIARIO in Spanish 22 Mar 90 p 12

[Text] Ten Somozist mercenaries were killed when approximately 200 counterrevolutionaries attacked Sandinist People's Army (EPS) troops by surprise. The EPS troops were resting in the Ubu North region, southeast of Mulukuku, Matagalpa, when they were attacked; however, the Sandinist soldiers reactivated their defense and counterattacked.

A Defense Ministry bulletin reports that the attack against the Sandinist troops occured on 20 March. This again reaffirms that the counterrevolution is violating the unilateral cease-fire decreed by the revolutionary government to facilitate the orderly and peaceful transition of the government to Mrs. Violeta Barrios on 25 April.

The contras have also been increasing terrorist actions against civilian population and economic targets. These actions show the degree of disorganization and disorder rampant among the pro-U.S. mercenary forces.

Among the recent damage caused by the contras to the national economy, the 17 March theft of 150 head of cattle from the Los Millones cooperative, northeast of La Gateada in Chontales, stands out. The contra cattle rustlers had initially taken 300 animals but EPS troops persued them and managed to recover 150 head of cattle.

On 19 March, the contras murdered peasant Rigoberto Diaz Zamora in San Antonio, located in northeastern Santo Tomas, Chontales. That same day, the mercenaries visited the Amed Campos cooperative, north of La Gateada in Chontales, and stole 90 more head of cattle.

Again on 19 March, the contras reached La Estrellita farm, located northeast of Los Bueyes dock in the South Atlantic Autonomous Region, and took an additional 88 head of cattle. As yet, it is not known where the contras took the stolen cattle.

Panama

Cuban Ambassador Given 5 Days To Leave

PA2203171290 Madrid EFE in Spanish 1642 GMT 22 Mar 90

[Text] Panama City, 22 Mar (EFE)—The Panamanian Government today asked the Cuban Government to withdraw its ambassador to Panama, Lazaro Mora, within five days.

In a news conference, Panamanian Foreign Minister Julio Linares explained that this decision has been made because the Havana government has repeatedly said that it does not recognize the present Panamanian authorities, led by Guillermo Endara.

According to Linares, it is not acceptable that President Fidel Castro's regime continues to insist that since the U.S. invasion in December, Panama has not been governed by Endara, but by General Maxwell Thurman, head of the Pentagon's Southern Command.

The foreign minister added that he realizes that the decision to request Mora's withdrawal might lead to a break in relations with Cuba.

Linares on Cuban Ambassador

PA2203184890 Panama City Radio KW Continente in Spanish 1713 GMT 22 Mar 90

[Report by Maribel del Carmen Saldana from the Foreign Ministry]

[Text] The Panamanian Government has given the Cuban ambassador a five-day deadline for leaving Panamanian territory, Foreign Minister Julio Linares announced today during a news conference.

[Begin recording] [Linares] Although we consider that there are more than enough reasons for a break in diplomatic relations, the Panamanian Government wants to show once more that it is tolerant and prudent, and it does not want to adopt extreme measures. For this reason, I met a few minutes ago with the Cuban ambassador to Panama and gave him a five-day deadline for leaving the national territory as a sign of protest.

We are convinced that the expulsion of the Cuban ambassador from Panama places us on the verge of a diplomatic break. Cuba might reply with a diplomatic break, but that will be its problem and decision. The truth is that the position we are taking with the Cuban ambassador is not a result of his personal attitude—and I want to re-emphasize this—because he has always been very respectful and cordial with the Panamanian Foreign Ministry.

Our position is a warning: Either Cuba changes its stand and begins to respect us or we will simply end with a final break. That is what I wanted to tell you about Cuba.

I am going to ask the Foreign Ministry's lawyer, Dr. Berrios, to read the verbal note we have just delivered to the Cuban ambassador to Panama.

[Berrios] The verbal note delivered to the Cuban ambassador reads as follows:

The Foreign Ministry cordially greets the Embassy of the Republic of Cuba and hereby notifies it that:

After observing with extreme tolerance the behavior of your government as expressed in various international forums and international meetings, where it has been systematically refuting Panamanian delegates, accusing them of representing an illegitimate government;

Inasmuch as the Cuban Government leaders insist on disrespecting the constitutional government that was democratically elected by the people of Panama and is presided over by Guillermo Endara Galimany, whose victory was recognized by the international community, and particularly by the truly democratic countries of the Americas that attended the San Jose Summit to commemorate the 100 years of Costa Rican democracy;

We hereby request that within 120 hours of receiving this note that the Cuban ambassador Lazaro Mora Secades leave Panamanian territory.

The permanence of the chief of the Cuban mission in Panama is not justified since his government does not recognize the government before which he must fulfill his diplomatic tasks.

According to established diplomatic practices, the Cuban ambassador—against whom under no circumstances there is any animosity—will have all the guarantees and the assistance of the Protocol Office of the state for going to the Tocumen International Airport, provided this Foreign Ministry is notified beforehand of the day and hour of his departure. [end recording]

You have just heard the statements by Foreign Minister Julio Linares about the deadline given to the Cuban ambassador to leave the country. The ambassador has been given a five-day deadline.

Five Former Officials Granted Safe-Conduct

PA2303021590 Hamburg DPA in Spanish 1130 GMT 22 Mar 90

[Text] Panama City, 22 March (DPA)—Panamanian Foreign Minister Julio Linares announced today that the Government had granted safe-conduct to five former officials of the deposed regime, headed by General

Manual Antonio Noriega. The five former government officials are presently at the Ecuadoran Embassy.

According to the announcement, former Public Works Minister Rene Bultron, former Labor Minister Cesar Martans, former Mortgage Bank Manager Julio Shaik, former Tourism Institute Director Bernardo Dominguez, and former Hyraulic Resources and Electrification Institute Director Ovigildo Herrera, are the former officials who will be able to travel to Ecuador within the next few days.

Linares added that the decision to grant a safe-conduct to former Democratic Revolutionary Party Legislator Luis "Lucho" Gomez—presently at the Cuban Embassy—has been revoked because he faces charges of "kidnapping and physical and psychological torture against the Panamanian citizen Hernan Arias."

The Panamanian foreign minister also rejected the possibility of breaking relations with Mexico or Peru. According to his explanation, the situation with Cuba is different. Today, Panama gave Cuban Ambassador Lazaro Mora five days to quit the country "because of the unjustified attacks by the Cuban Government against the National Government."

Former Panama National Bank Manager Rafael Arosemena has taken refuge at the Mexican Embassy. Arosemena is charged with allowing a former command staff member of the eliminated Panama Defense Forces [FDP] to cash checks made out to the bearer for $12 million. The former FDP mayors Heraclidis Sucre Medina and Gonzalo Gonzalez continue to stay at the Peruvian Embassy in Panama. They are charged with several crimes.

Endara on Issue of Asylum at Mexican Embassy

PA2303012890 Panama City LA ESTRELLA DE PANAMA in Spanish 22 Mar 90 pp A-1, A-8

[Report by Claudio Herrera Jimenez]

[Text] President Guillermo Endara Galimany feels that the Mexican Government cannot grant asylum to Rafael Arosemena, former manager of the National Bank of Panama, because he is implicated in common crimes. At the same time, Endara also requested that the Mexican Government "understand our point of view."

Endara harbors the hope that the problems with our Latin American brothers will be resolved. He has also urged Mexico to understand how the Panamanian people feel about the Arosemena case.

Mr. Arosemena is charged with misappropriating funds while he was National Bank manager. Investigations to this effect are being carried out by a special prosecutor appointed by the Attorney General of the Republic in both the National Bank, as well as the National Savings and Loan Bank. An order for the arrest of Arosemena has been issued.

The Panamanian Foreign Ministry sent a verbal note to the Mexican Embassy requesting the aforementioned citizen be turned over. The Foreign Ministry "described the nature of the charges against him, and noted that he will be prosecuted only for common crimes (embezzlement, corruption of public officials, and illegal association to commit crimes.)"

Meanwhile, Endara has said that he was opposed to the Latin American Parliament's decision condemning the U.S. invasion. The protest, according to international reports, was "a strong and unanimous" decision by the 14 countries attending the meeting.

Endara insisted that "the Latin American parliamentarians show that they do not understand what is happening in Panama; they do not understand that there is a democracy here. I have tried to give it the most innocent interpretation," he added.

Concerning Vice President Ford's visit to Washington, Endara reported that Bush told him last week over the telephone that he would be pleased to meet with Ford.

"If he (George Bush) ran for office in Panamanian elections, he would win by a majority," Endara stated.

Paraguay Recognizes Endara Government

PA2203130090 Panama City Circuito RPC Teleivision in Spanish 2300 GMT 21 Mar 90

[Text] Paraguay recognized Guillermo Endara's government today and will restore bilateral relations, which were practically frozen six months ago following the withdrawal of the Paraguayan consul in Panama City.

Paraguayan Foreign Minister Luis Maria Argana today summoned Augusto Villarreal, the Panamanian charge d'affaires in Asuncion, to inform him of his government's decision.

Editorial Questions Attitude Toward Cuba

PA2303041490 Panama City CRITICA LIBRE in Spanish 22 Mar 90 p 4

[Editorial: "Why Show Consideration For Cuba?"]

[Text] Thousands of Panamanians ask themselves every day what kind of consideration the national government is showing for the embassy of communist Cuba and why. Following the incidents caused by granting safe-conducts to the family of dictator Manuel Antonio Noriega and the incredible flexibility that has been shown towards persons linked to the tyrant, each day we have been finding in the press new surprises from the Foreign Ministry concerning the one-time pearl of the Antilles.

When the foreign minister announced that he had been on the verge of granting a safe-conduct to former legislator Luis Gomez because there was no arrest warrant pending against him, we were astonished, to say the least. However, documents from the Attorney General's Office

have come to light showing that an arrest warrant had been issued on 28 February against Gomez for an odd crime, i.e., "actions against the international community," although the plaintiff, Hernan Arias, incumbent director of INDE [National Sports Institute], categorically charged that the defendant is guilty of clear violations of human rights which include abduction, torture, and wounding people with gunshots.

Two things stand out: Someone is withholding documents or information; someone is deliberately delaying the [compilation of] records; or someone is trying to put a lid on this sticky matter. No one has found the reasons that were given to grant safe-conducts to the dictator's family convincing. The pertinent authorities have found that our people are on the alert and ready to prevent anyone from again making them swallow a new pill and taking similar action with the refugees in the Peruvian, Mexican, and Cuban Embassies as was taken with the dictator's family.

Returning to the Cubans, everyone in Panama knows that they rendered unconditional services to the dictator, such as training the shady G-2. Noriega identified so much with the Cubans that Fidel Castro, the Caribbean dictator, heaped praise on the local tyrant. Their embassy does not recognize the Endara government, so it must go. We are getting no benefits from Cuban representation that prefers to protect fugitives from justice and to plot against the Panamanian Government. In other words, if any governments do not want to be friends of Panama, let their representatives leave, because they are harming us.

It has been three months since the dictatorship fell and the Cuban Government has not recognized President Guillermo Endara's government. Enough time has passed for the communists to realize that democracy is irreversible in Panama and that they must leave if they do not agree with our government. We are tired of their meddling and exportation of terrorism. Mr. Foreign Minister, the time for definitions has arrived. We must shake off the burdens that surround us.

We ask Peru, Mexico, and Ecuador to reflect and realize that the right of asylum must not be confused with sanctuary for criminals. Two of those indicted with Noriega have already pleaded guilty in Miami. Ambassadors, now that there is a free press in Panama, you have been able to learn of the atrocities and wretchedness of the dictatorship that plagued Panama for 21 years. Do not fill your people with shame by granting asylum to fugitives of justice.

Finally, and going back to the Cubans once more: The faded red in your lies and your outmoded "revolution" has sunk into the slime of discredit in Panama. The image of the Cuban "revolution" is no longer crystal clear. It has been stained by the mud of its alliance with drug trafficking and the blood spilled by those who sacrifice children in voodoo rituals.

Argentina

Tucuman Police Rebellion Continues, Grows

Reporter Estimates '5,000' Rebels

PY2203181290 Buenos Aires Domestic Service in Spanish 1600 GMT 22 Mar 90

[Report by Sandra Fuentes from Tucuman police headquarters]

[Excerpt] Here at the police headquarters we think that the number of rebel policemen is very high and that they are armed with heavy caliber weapons. We can say that their number nears 5,000. [as heard]

Inside the police headquarters building there are some 1,000 people, and in the surrounding two blocks the rest of the policemen, very heavily armed, are circulating. [passage omitted]

Minister Says Situation Serious

PY2203192790 Buenos Aires Domestic Service in Spanish 1600 GMT 22 Mar 90

[Excerpt] Interior Minister Julio Mera Figueroa has arrived at the Metropolitan Airport to take a plane to Tucuman. Before leaving the Government House he said that the situation in Tucuman Province is very serious and that the conflict is political. While discarding the possibility of intervening in the province, he did not discard, however, the possibility of declaring a state of siege if the Tucuman Government considers it necessary.

[Begin recording] [Mera Figueroa] Evidently it is all political, because it goes beyond their right to express their demands, particularly because they are security agents.

[Reporter] Will there be a federal intervention?

[Mera Figueroa] No, no. Nothing of the kind.

[Reporter] [words indistinct] in Tucuman Province?

[Mera Figueroa] The possibility of declaring a state of siege will be discussed with the president if the provincial officials consider it necessary, and if we confirm that the situation calls for the declaration of a state of siege. So far, however, the Tucuman Provincial Government has not called for that. [end recording]

He also confirmed that the National Police are assisting the provincial police department. The interior minister did not explain clearly when he will return, but said that he will report on the situation in Tucuman Province to President Menem tonight. [passage omitted]

Church Begins Mediation

PY2203205690 Buenos Aires DYN in Spanish 0240 GMT 22 Mar 90

[Text] San Miguel de Tucuman, 21 Mar (DYN)—Tucuman Archbishop Alberto Bozzoli tonight began mediating a negotiated solution to the serious Tucuman police conflict. Bozzoli held a meeting tonight with two former Tucuman police chiefs and three representatives of the rebels at the John XXIII Institute, which is under the jurisdiction of the archbishop's office.

It has been learned that a proposal to solve the situation was drafted during the meeting, which ended at 0130 GMT. According to this proposal, which will be submitted to the government, 24 of the 30 policemen who have been dismissed will be reinstated. This draft proposal will be submitted to Tucuman Governor Jose Domato at dawn tomorrow at a meeting at the Tucuman Province Government House.

According to Tucuman Province government sources, Domato has left for Tucuman, and it is believed that the meeting at Government House may be held at 0200 or 0300. Present at this meeting will be Domato, the rebels, Archbishop Bozzoli, Tucuman Government Secretary Manuel Francisco, and other officials.

The atmosphere was tense at midnight tonight around the police headquarters, where the rebels and loyal forces (consisting of federal police and gendarmerie troops) have deployed weapons and been on alert. Everything seems to have come to a halt until the meeting with Governor Domato.

The church started to mediate after the authorities rejected a rebel request for General Antonio Domingo Bussi, a former military governor and the leader of the Republican Force Party, to serve as mediator in the negotiations because they believe that he would guarantee the dialogue.

State of Siege 'Imminent'

PY2303000690 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2346 GMT 22 Mar 90

[Text] Buenos Aires, 22 March (NA)—A high Interior Ministry source stated tonight that a declaration of a state of siege in Tucuman Province "is imminent." The source said that the measure has been provoked by the "crisis of authority" that is taking place in Tucuman Province.

Rebels Given '24 or 48 Hours'

PY2303023290 Buenos Aires DYN in Spanish 0138 GMT 23 Mar 90

[Text] San Miguel de Tucuman, 22 Mar (DYN)—Interior Minister Julio Mera Figueroa said here tonight that the rebel police officers will be given 24 or 48 hours to surrender and that, if they fail to do so, a state of siege will be declared in Tucuman Province.

After meeting with provincial officials, Mera Figueroa said he is "optimistic" about reaching a negotiated solution. "The bases have been laid down" to reach an agreement, he said.

Policemen in Santiago del Estero Making Demands

PY2203181790 Buenos Aires Domestic Service in Spanish 1600 GMT 22 Mar 90

[Text] Some 400 Santiago del Estero policemen gathered at noon today in the square near the police headquarters. They are demanding better salaries and better working conditions.

Policemen from towns nearby have begun to arrive in Santiago del Estero and are joining the protests, also demanding better salaries and the suspension of punishment against policemen who took part in a similar protest last January.

Costa Rica's President Arias Continues Visit

Reviews Area Concerns With Menem

PY2203120290 Buenos Aires TELAM in Spanish 0254 GMT 22 Mar 90

[Text] Buenos Aires, 21 Mar (TELAM)—President Carlos Menem and his Costa Rican counterpart, Oscar Arias Sanchez, have agreed that the "foreign debt" problem is one of the most serious problems that are "overwhelming" Latin America because it "directly involves the people and conspires against the recently installed democracies."

According to a report released by the Foreign Relations and Worship Ministry press directorate, Menem received the Costa Rican president— here on official visit—in his office.

The report states that the presidents reviewed "bilateral relations and the continental and international political scene," and that they expressed their "satisfaction" over the "strengthening of democracy in Latin America, especially in the case of Chile [quotation marks as received]. They also expressed their "satisfaction" over the "exemplary" elections held in Nicaragua.

Concerning the Central American situation, the presidents hoped for a "prompt and total demobilization of the irregular armed groups, as this will contribute to a firm and lasting peace in the region."

In addition, the chiefs of state reiterated their decision "to struggle with all their available resources against the illegal drug trade and abuse." They urged development of "international cooperation in order to conduct an offensive against drug trafficking."

Among other issues, the presidents made positive remarks on the recent overtures by the U.S. and Soviet Governments in the process of detente. The presidents expressed their willingness to support the policies of disarmament and emphasized the need to advance in Latin American integration.

Terms Castro 'Anachronistic'

PY2203235390 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1940 GMT 22 Mar 90

[Text] Buenos Aires, 22 Mar (NA)—Costa Rican President Oscar Arias has criticized the Cuban regime of Fidel Castro by stating that "it is anachronistic to begin the 1990's thinking that the military have better ways than the democrats" to solve the Latin American crisis.

Arias, who was awarded the Nobel Peace Prize in 1987 for his peace plan for Central America, is skeptical about the possible initiation of a democratization process in Cuba. He said that during the recent inaugurations of the presidents of Chile and Brazil "we realized that Fidel Castro is the only one wearing boots and military uniform at a time when everyone else is wearing a suit and a tie."

The Costa Rican president also criticized the developed countries' "lack of solidarity" with the Third World. He said: "The rule has always been selfishness, neglect, and unawareness of the problems we face."

Nevertheless, Arias voiced his confidence that in the face of the process of relaxation between the East and the West, "the rich countries will turn their attention to Africa, Asia, and Latin America."

Arias added: "More than a conflict between the rich North and the poor South, there is a mixture of ignorance, selfishness, and disregard for the consequences of not paying more attention to the Third World."

Government Recognizes Endara Regime, Names Envoy

PY2203225790 Buenos Aires CLARIN in Spanish 22 Mar 90 p 13

[Text] The Argentine Government has decided to recognize the government of Panamanian President Guillermo Endara by appointing Juan Bautista Yofre, former head of the State Intelligence Secretariat (SIDE), as the new Argentine ambassador to Panama.

A senior Foreign Ministry official stated that Yofre's appointment as ambassador "is a way of dispensing with a formal recognition" of the Endara government, which came into power in the wake of the U.S. invasion of Panama. He made it clear that "no further recognition will be announced."

The official said that Panama already has a candidate for ambassador to Buenos Aires and that as soon as this appointment is made, diplomatic relations between the two countries will be fully restored.

Thus, Argentina has applied the Estrada Doctrine, whereby a government may recognize another without any formal declaration as long as the government to be recognized controls the situation within its borders, among other things.

Argentina has not sent an ambassador to Panama since 1988.

When it came to power, the Peronist government did not appoint a new ambassador to Panama, seeking to exert pressure on the regime of General Antonio Noriega, who was later overthrown during the U.S. invasion.

Cavallo Says Argentine-British Relations Normal

PY2203204390 Buenos Aires DYN in Spanish 1700 GMT 22 Mar 90

[Text] Buenos Aires, 22 Mar (DYN)—Foreign Minister Domingo Cavallo reported here today that on 9 April he will meet with his British counterpart, Douglas Hurd. Cavallo also denied reports that he will meet with British Prime Minister Margaret Thatcher.

Cavallo said that following the resumption of diplomatic ties British-Argentine relations are "normal."

Speaking to Radio Rivadavia just before the speech by visiting Costa Rican President Oscar Arias to Congress, Cavallo said that during his meeting with Hurd they will discuss "bilateral issues."

Ambassadorial Exchange Scheduled

PY2203212290 Buenos Aires Domestic Service in Spanish 1600 GMT 22 Mar 90

[Text] The Foreign Ministry has reported that Mario Campora, Argentine ambassador-designate to the United Kingdom and Northern Ireland, will assume his duties this May. British Ambassador to Argentina John Hamilton Humphrey Maud will assume his duties in Argentina in July.

Gorbachev Letter to Menem on Global Developments

PY2203211990 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1114 GMT 20 Mar 90

[Text] Soviet President Mikhail Gorbachev has sent a personal letter to his Argentine counterpart Carlos Menem saying that "your thoughts on the importance of choosing a path to national development in keeping with the new international order are very much in line with our philosophy."

Gorbachev added that "we consider, like yourself, that the world community efforts to seek joint solutions to global problems are the imperative goal of our era. We simply do not have an alternative."

The complete text of the letter that the Soviet ambassador to Buenos Aires handed to Menem yesterday—to which NOTICIAS ARGENTINAS had access—is as follows:

"I have read the message you sent me through Mr. A. Kohan when he visited Moscow. The ideas expressed in it on the impossibility of solving internal matters without confronting other universal problems that affect all humanity, and your thoughts on the importance of choosing a path to national development in accordance with the new international order are very much in line with our philosophy.

"We consider, like yourself, that the world community efforts to seek joint solutions to global problems are the imperative goal of our era. We simply do not have an alternative. No matter how deceiving the pretext used by those who condone violent solutions, their activity cannot be legitimate, recognized, or justified. Modern international relations can only be based on legal and moral principles and the consequent endorsement to the principles of good neighbors, equality, and justice.

"It is clear that human progress is not a wide and direct road but a complicated and contradictory process in which several trends, specific historic events, and traditions and interests meet and cross each other. However, no matter how diverse the modern world, everyone must join efforts to achieve the common aspiration of a better, more spiritual, and more materially prosperous life in a climate of firm and lasting peace. We share the firm conviction that everyone has the right to determine their destiny based on their own political and economic option without foreign interference. Within this context, I deeply understand your thoughts on the responsibility of leaders who have the power to affect the lives of other people.

"Argentina's aspiration to be a participant with full rights in the process of consolidation of international security, and to intervene as a factor of stability in international forums, meets our understanding and our deep satisfaction. Argentina's willingness to contribute to world peace by helping exchange trust for confrontation—which, as you say, requires extraordinary efforts—exalts respect for your policy. We see a prestigious partner in Argentina. We greatly value your activity in favor of peace in the United Nations and other international forums like the Group of Six and the Nonaligned Movement.

"In this context I would like to point out the following: Perestroyka in the USSR, apart from gathering strength in the country and deeply changing the life of the Soviet people, is determining our moral and ideological criteria and our foreign policy priorities. The Soviet Union is building its peace policies with patience, perseverance, and firmness, assured of reaching our goals of reducing the nuclear and conventional arsenals, demilitarizing space, creating denuclearized peace and cooperation zones like the one being created with Argentine participation in the South Atlantic, ending regional conflicts, and preserving world resources and ecological systems.

"We are convinced that the creation of a climate of trust must coincide with broadening and strengthening of authentically equitable cooperation among states. Such cooperation presupposes restructuring the entire interrelational system of the world economy. Our economic, ecological, military, and political security must not be a burden to other people. We support the idea that the economies of western, eastern, northern, and southern countries must complement each other more; that scientific, technical, and industrial cooperation, as well as the processes of integration, must increase.

"Mr. President, it is our belief that Soviet-Argentine relations represent an important step in the world community effort to create a safer future. The fact that we belong to different social systems does not prevent us from seeking similar ways to solve the most urgent problems. We clearly state that we will endeavor to discover new areas for developing closer political, commercial, scientific, technical, cultural, and humanitarian bilateral links between our peoples.

"Mr. President, our mutual trust and the careful handling of Argentine-Soviet potential relations between our countrymen have yielded solid results. All this allows us to look to the future with optimism.

"I wish you good health and success, and I wish the Argentine people happiness and wellbeing."

Seineldin Summoned To Deny or Confirm Document

PY2203184890 Buenos Aires Domestic Service in Spanish 1600 GMT 22 Mar 90

[Text] The Army Personnel Directorate General has summoned Colonel Mohamed Ali Seineldin to appear tomorrow to confirm or deny the text of the document that has been published by the media, in which he allegedly warns the Army of the risk of becoming "divided into confronting factions."

It has also been made known that Seineldin has already been informed of the summoning and that, in case he confirms the text of the document, he will be arrested for at least 30 days.

In the main paragraphs of the document, Col. Seineldin exhorted the Army to remain united, said that the current political scenario is unfortunate, and called for the suspension of the disciplinary measures being applied to his followers in the Army.

While waiting for the Venezuelan Air Force chief of staff at the Metropolitan Airport today, Brigadier General Jose Julia, Air Force chief of staff, uttered unfriendly comments about Seineldin. He said that Seineldin should be concerned with his own affairs instead of meddling in political matters, which should be the concern of others. He added that military men should not be concerned about political matters.

Bolivia

Debt Renegotiation Eases Balance of Payments

PY2203043190 Madrid EFE in Spanish 0021 GMT 18 Mar 90

[All figures as received]

[Text] La Paz, 17 Mar (EFE)—It was officially reported today that the recent renegotiation of part of the Bolivian bilateral debt with the Paris Club will relieve the balance of payments burden by some $300 million and will allow the government to promote anti-poverty programs for the next two years.

Bolivian Central Bank President Raul Boada stated that a few days ago in Paris, Bolivia managed to renegotiate $283 million, which is 20 percent of its bilateral debt and which should have been paid between 1990 and 1991. The bilateral debt amounts to $1.672 billion, and it represents 47.6 percent of the overall debt.

Bolivia is the first Latin American country to receive "the Toronto Treatment," by which the poorest in the world will be benefited, the Central Bank president stated. He termed the negotiations conducted by a government commission in Paris as "successful."

France has decided to reduce the debt by one-third and to set a 14-year deadline, with eight grace years, for the payment of the rest, while other countries have agreed to allow Bolivia to pay the overall renegotiated debt over a 25-year period. Boada went on to explain that some countries have approved the reduction of interest rates from a three and one-half percent to [figure indistinct] with a reduction [rebaja] of 14 years including eight grace years. The savings resulting from this renegotiation will allow the implementation of an investment program [passage indistinct] Bolivian authorities to the "decisive support of the United States."

Bolivian President Jaime Paz Zamora stated tonight upon returning from Brasilia, where he attended the inauguration of President Fernando Collor de Mello, that the "United States has facilitated the renegotiation of our debt to the Paris Club."

"The support in Paris has not be gratuitous. This support was granted because the people's sacrifice has been recognized," Paz Zamora stated.

Oscar Eid Franco, leader of the ruling Movement of the Revolutionary Left (MIR), has stated that the "success" in Paris is the result of the agreements achieved in Cartagena, where on 15 February Presidents Paz Zamora of Bolivia, Alan Garcia of Peru, Virgilio Barco of Colombia, and George Bush of the United States discussed antidrug policy. Eid Franco referred to the policy of "direct relations," Paz Zamora is conducting in his continuous trips, which yield, as he put it, "continuous achievements."

The Central Bank president has announced that his country will soon renegotiate a debt of $26.7 million with the socialist countries, $1.7 million with Italy, $1.7 million with Israel, and $1.4 million with South Africa. The bilateral debt also includes a $288.2-million debt contracted with Brazil, which is not a member of the Paris Club, and with which Bolivia is currently negotiating.

Brazil

Economy Minister Says Results Already Realized

PY2203211190 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 22 Mar 90

[Excerpt] Economy Minister Zelia Cardoso Mello has stated that the inflation rate for April will be below 10 percent and that prices have already significantly dropped. She believes, therefore, that the salary adjustments for April may be set at 10 percent.

[Begin recording] [Cardoso] This is just an estimate because we see that prices are beginning to significantly drop. We estimate, therefore, that we will start to work with smaller figures.

[Reporter] During an interview you talked about a deadline for the plan to succeed, you said that if people could wait until Tuesday [not further specified] it would be successful. Could you better explain that?

[Cardoso] During the first days there was an obvious feeling of illiquidity; a feeling that there was little money. Activities have gradually returned to normal, those salaries that have been paid are once again circulating on the market, and the situation is thus returning to normal. I think that this week, even today, the headlines of some newspapers already mention that money is going back into circulation, that things are returning to normal, and that prices are also dropping. I believe that next week, as 26 March the behavior of economic indicators will be very positive.

This week we already have a series of positive signs, and as of next week I think all signs will be positive. [passage omitted]

Provisional Measure 150: Government Structure

PY2203154490 Sao Paulo FOLHA DE SAO PAULO in Portuguese 17 Mar 90 pp B17, B18

["Text" of government's Provisional Measure 150, issued in Brasilia on 15 March—all quotation marks as published]

[Text] This measure determines the organization of the Presidency of the Republic, the ministries, and makes other provisions.

The president of the Republic, exercising the authority vested in him by Article 62 of the Constitution, adopts the following provisional measure, which is binding as law:

Chapter I

The Presidency of the Republic

Section I

Structure

Article 1. The presidency of the Republic is essentially composed of the Secretariat General, the Military Cabinet, and the president of the Republic's Personal Cabinet.

Single Paragraph. Organization of the presidency:

a. Consultants to the president of the Republic:
1. Council of the Republic;
2. National Defense Council;

b. Immediate advisers to the president of the Republic:
1. Government Council;
2. Armed Forces High Command;
3. Armed Forces Joint Staff;
4. Consultant General of the Republic;

c. Direct and immediate assistants to the president of the Republic:
1. Culture Secretariat;
2. Science and Technology Secretariat;
3. Environment Secretariat;
4. Regional Development Secretariat;
5. Sports Secretariat;
6. Federal Administration Secretariat;
7. Strategic Affairs Secretariat.

Section II

Functions and organization

Article 2. The Secretariat General is to directly and immediately assist the president of the Republic in the execution of his duties: specifically, coordinate administrative action; follow up government programs and policies; and maintain relations with the states, Federal District, and municipalities. It will also supervise the secretariats of the Presidency. The Secretariat General has the following basic structure:
I. Subsecretariat General;
II. Ceremonial Subsecretariat;
III. Internal Control Secretariat.

Single Paragraph. The Military Cabinet and the Personal Cabinet, directly subordinated to the president of the Republic, are administratively related to the Secretariat General.

Article 3. The Military Cabinet, to directly and immediately assist the president of the Republic in discharging his duties related to military administration; in providing personal security for the president of the Republic, the secretary general, the chief of the Military Cabinet, the chief of the Personal Cabinet, and for respective residences and presidential palaces; has the following basic structure:
I. Chief;
II. Navy Deputy Chief;
III. Army Deputy Chief;
IV. Aeronautics Deputy Chief;
V. Security Service.

Article 4. The Personal Cabinet, to assist the president of the Republic with private secretariat and assistance-of-order services, has the following basic structure:
I. Private Secretariat;
II. Assistance-of-Order.

Article 5. The Council of the Republic and the National Defense Council, with their memberships and functions determined by the Constitution, will have their organization and functions regulated by special laws.

Article 6. The Government Council, to advise the president of the Republic on formulation of government action directives, is filled by the state ministers and will be convened by the president.

Single Paragraph. The Government Council will be chaired, at each meeting, by the state minister designated by the president of the Republic.

Article 7. The Armed Forces High Command, made up of the military ministers and the Joint Staff chief from each of the Armed Forces, will advise the president of the Republic on military policy and the coordination of Armed Forces matters.

Single Paragraph. The president of the Republic will convene the Armed Forces High Command and the Military Cabinet Chief will act as secretary.

Article 8. The Armed Forces Joint Staff, whose current structure is maintained, will advise the president of the Republic on matters described in Article 50 of Decree No. 200 of 25 February 1967.

Article 9. The Consultant General of the Republic, to advise the president of the Republic on juridical matters; to standardize federal administrative legislation; and to supervise, coordinate, and control the activities of the juridical services of the centralized, decentralized, and foundation-related Federal Public Administration; has a basic structure of a Consultant General Cabinet and a Consultant of the Republic.

Article 10. The Culture Secretariat, to preserve and develop Brazilian cultural values; stimulate artistic creativity; and promote the country's cultural identity; has the following basic structure:
I. National Council of Cultural Policy;
II. Cultural Production Department;
III. Department of Cultural Cooperation and Diffusion.

Article 11. The Science and Technology Secretariat, to plan, coordinate, supervise, and control scientific and technological activities, including special research and development programs in priority areas, has the following basic structure:
I. National Council for Information Science and Automation;
II. Promotion Department;
III. Planning and Evaluation Department;
IV. Programs Coordination Department;
V. Department for Coordination of Executive Offices;
VI. Special Secretariat for Information Science;
VII. Space Research Institute;
VIII. National Institute for Research of Amazonia;
IX. National Technology Institute.

Article 12. The Environment Secretariat, to plan, coordinate, supervise, and control activities related to the national environment policy; to preserve, conserve, and rationally use renewable natural resources; has the following basic structure:
I. National Environment Council;
II. Environment Policy Planning and Coordination Department;
III. Technical-Scientific Cooperation Department;
IV. Environment National Fund Committee.

Article 13. The Regional Development Secretariat, to plan, coordinate, supervise, and control the activities of the federal offices and entities involved in regional development programs and projects, is associated with similar state, Federal District, and Municipal offices.

Article 14. The Sports Secretariat, to plan, coordinate, supervise and develop nationl sports activities in in accordance with national policy for physical education and sports; and to provide technical cooperation and supplementary financial assistance to states, the Federal District, municipalities, and sports-governing national entities, has the following basic structure:
I. National Sports Council;
II. Administration Council of Assistance Fund for Professional Athletes;
III. Formal and Informal Sports Department;
IV. Department of Sports for the Handicapped.

Article 15. The Federal Administration Secretariat, to conduct studies; formulate directives; establish norms; plan, coordinate, supervise, and control civilian personnel matters, general services, administrative organization and modernization of data-processing systems and services of the respective entities of the centralized, decentralized, and foundation-related Federal Public Administration; has the following basic structure:
I. Subsecretariat of Data-Processing Control of the Public Sector;
II. Human Resources Department;
III. General Services Department;
IV. Administrative Modernization Department;
V. Real Estate Administration Department.

Article 16. The Strategic Affairs Secretariat, to act as Executive Secretariat to the Government Council; conduct studies and design projects for the utilization of areas that are indispensable to the security of the territory and to voice an opinion on their effective use; to provide information necessary for the president of the Republic to make decisions; to cooperate in planning, executing, and following up on government actions in defense of national institutions; to coordinate the formulation of national nuclear policy and supervise its execution; to safeguard the interests of the state; and to

coordinate, supervise, and control projects assigned by the president of the Republic, has the following basic structure:
I. Intelligence Department;
II. Macrostrategy Department;
III. Space Programs Department;
IV. Research and Development Center for Communications Security;
V. Center for Training and Upgrading of Human Resources.

Chapter II

Ministries

Article 17. The ministries are the following:
I. Justice;
II. Navy;
III. Army;
IV. Foreign Relations;
V. Education;
VI. Aeronautics;
VII. Health;
VIII. Economy, Finance, and Planning;
IX. Agriculture and Agrarian Reform;
X. Labor and Social Security;
XI. Infrastructure;
XII. Social Action;

Single Paragraph. The heads of the Ministries and State Ministers.

Section I

Military Ministries

Article 18. The structure and matters under the jurisdiction of the military ministries are specified in Decree 200 of 25 February 1967, and subsequent special legislation.

Section II

Civilian Ministries

Article 19. Matters that fall under the jurisdiction of each civilian ministry are the following:

I. Justice Ministry:
a. Juridical Order, Nationality, Citizenship, Political Rights, Constitutional Guarantees;
b. Public Security, Federal Police, Federal District Police;
c. Prisons Administration;
d. Foreigners;
e. Documentation, publication and safekeeping of official papers;
f. Defense of the economic order, and legal weights and measures;
g. Indians;
h. Commerce and industrial property registration;

II. Foreign Ministry:
a. International policy;
b. Diplomatic relations, consular services;
c. Participation in commercial, economic, technical, and cultural negotiations with foreign countries and entities;
d. International cooperation programs;
e. Support for Brazilian delegations, missions, and representation in international and multilateral agencies and organizations;

III. Education Ministry:
a. Education, civilian schooling;
b. Teachers' staff.

IV. Health Ministry:
a. National health policy;
b. Medical and paramedical activities;
c. Preventive Action in the health area, sanitary police at borders, ports, and airports;
d. Control over drugs, medicines, and food;
e. Medical-sanitary research.

V. Economy, Finance, and Planning Ministry:
a. Currency, credit, financial institutions, capitalization, private insurance, popular savings;
b. Tax administration;
c. Budget and finance administration, public auditing and bookkeeping;
d. Property assets administration;
e. Foreign trade;
f. Economic and financial negotiations with foreign governments and organizations;
g. Industrial and commercial development;
h. Supplies and prices;
i. Preparation of economic plans, preparation of budgetary directives and proposals;
j. Socioeconomic studies and research;
l. [lettering as published] National cartographic and statistic systems.

VI. Agriculture and Agrarian Reform Ministry:
a. Agricultural and livestock production;
b. Standardization and inspection of vegetable and animal products and of basic materials used in agricultural and livestock activities;
c. Agrarian reform and support for rural activities;
d. Meteorology and climatology;
e. Agricultural and livestock research and experimentation;
f. Animal and vegetable sanitary police and defense;
g. Irrigation.

VII. Labor and Social Security Ministry:
a. Labor and its supervision;
b. Labor market and employment policy;
c. Social security and entities of complementary assistance;
d. Salary policy;
e. Immigration policy;

VIII. Infrastructure Ministry:
a. Geology, mineral and energy resources;
b. Hydrologic patterns and hydraulic energy sources;
c. Mining and metallurgy;
d. Oil, electric, and nuclear industry;

e. Railroad, land, and water transportation;
f. Merchant marine, ports, and navigable waterways;
g. Participation in coordinating air transportation, conforming with the laws;
i. [lettering as published] Telecommunications, including administration, control, and supervision of utilization of the radio frequency spectrum;
j. Post office services.

IX. Social Action Ministry:
a. Social assistance;
b. Civil defense;
c. Housing and sanitation policies;
d. Population settlement, territorial occupation, internal migration.

Subsection I

On the executive secretary

Article 20. Each civilian ministry, except the Foreign Relations Ministry, will have an executive secretary charged with the supervision of secretariats not directly subordinated to the state minister, and other functions assigned to him.

Single paragraph. The executive secretary will be appointed by the president of the Republic upon the recommendation of the respective state minister.

Subsection II

On common organs at civilian ministries

Article 21. The following organs will constitute the basic structure at each civilian ministry, except at the Foreign Relations Ministry:

I. Of direct and immediate assistance to the state minister:
a. The Cabinet.

II. Sectorial:
a. Legal Consultancy, except at the Economy, Finance, and Planning Ministry;
b. General Administration Secretariat;
c. Internal Control Secretariat.

Single paragraph. The legal consultant and the attorney general of national finance at the Economy, Finance, and Planning Ministry shall provide direct and indirect assistance to the respective state ministers.

Subsection III

On the Foreign Relations Ministry

Article 22. Organs of the basic structure of the Foreign Relations Ministry are:

I. The Secretary of state for foreign relations, comprising:
a. Organs of direct and immediate assistance to the state minister;
b. Secretariat General for Foreign Policy;
c. Executive Secretariat General;
d. Secretarial General of Control.

II. Offices abroad, encompassing:
a. Permanent diplomatic missions;
b. Consular offices;
c. Specific offices for administrative, technical, or cultural activities.

Subsection IV

On specific organs

Article 23. Specific organs at the civilian ministries are as follows:

I. Justice Ministry:
a. Human Rights Defense Council;
b. National Council of Criminal and Imprisonment Policy;
c. National Transit Council;
d. Federal Narcotics Council;
e. Administrative Council for Economic Defense;
f. Superior Council for the Defense of Freedom of Creation and Expression;
g. National Womens Rights Council;
h. National Public Security Council;
i. National Council of Metrology, Standardization, and Industrial Quality;
j. Federal Secretariat of Legislative Matters;
l. [lettering as published] National Secretariat of Citizenship Rights and Justice;
m. National Secretariat of Economic Rights;
n. Federal Police Secretariat;
o. National Archives;
p. National Printing Office.

II. Education Ministry:
a. Federal Education Council;
b. National Secretariat of Basic Education;
c. National Secretariat of Technological Education;
d. National Secretariat of Higher Education.

III. Health Ministry:
a. National Health Council;
b. National Secretariat of Sanitary Police;
c. National Health Assistance Secretariat.

IV. Economy, Finance, and Planning Ministry:
a. National Council of Finance Policy;
b. National Monetary Council;
c. Brazilian Nomenclature Committee;
d. National Council of Private Insurance;
e. Superior Chamber of Fiscal Resources;
f. Taxpayers Councils, first, second, and third;
g. Resources Council of the National Finance System;
h. Attorney General of National Finance;
i. National Planning Secretariat;
j. National Finance Secretariat;
l. [lettering as published] National Planning Secretariat;
m. Special Secretariat for Economic Policy;

V. Ministry of Agriculture and Agrarian Reform:
a. National Council for Agriculture;

b. Executive Commission for the Lavoura Cacaueira Plan;
c. National Secretariat for Agriculture Defense;
d. National Secretariat for Agrarian Reform;
e. National Irrigation Secretariat.

VI. Ministry of Labor and Social Security:
a. National Social Security Council;
b. National Labor Council;
c. Service Guarantee Fund Trustees Council;
d. Work Protection Administration Council;
e. Complementary Social Security Administration Council;
f. Council for Work Resources and Social Security Insurance;
g. National Secretariat of Complementary Social Security;

VII. Ministry of Infrastructure:
a. Mines and Iron and Steel National Secretariat;
b. National Energy Secretariat;
c. National Transport Secretariat;
d. National Communications Secretariat.

VIII. Ministry of Social Action:
a. National Council of Social Service;
b. National Housing Secretariat;
c. National Sanitation Secretariat;
d. National Secretariat for Social Promotion;
e. Civil Defense Special Secretariat
f. National Coordinating Board for the Integration of the Handicapped; Chapter III

Elimination and Creation of Positions and Organizations

Article 24. The following ministerial positions are hereby created:
I. of economy, finance and planning;
II. of agriculture and agrarian reform;
III. of labor and social security;
IV. of infrastructure;
V. of social action;

Article 25. In accordance with Articles 10, 17, and 24, the following positions are eliminated:

I. Chief Ministers:
a. Presidential Civil Household chief;
b. Presidential Military Household chief;
c. Armed Forces General Staff chief;
d. National Information Service chief;

II. Ministers:
a. of planning;
b. of finance;
c. of transport;
d. of agriculture;
e. of labor;
f. of development of industry and commerce;
g. of mines and energy;
h. of the interior;
i. of communications;
j. of social security;
l. [lettering as published] of culture;
m. of science and technology.

Article 26. The following special positions are created:
I. Presidential secretary general;
II. Military Cabinet chief;
III. Armed Forces chief of the General Staff;
IV. President of the Republic's Personal Cabinet Chief;
V. eight executive secretary positions, one for each ministry discussed in items I, V, and VII through XII of Article 17.

Paragraph 1. The heads of the positions mentioned in items I through IV of this article will receive monthly salaries of 196,200 cruzados (one hundred and ninety-six thousand new cruzados). These salaries will be adjusted by the same percentage and at the same time as the ministers' salaries are adjusted.

Article 27. The following offices are eliminated:
I. The Presidential Civil Cabinet;
II. The National Information Service;
III. The Presidential Secretariat of Planning and Coordination;
IV. The National Defense Advisory Secretariat;
V. The Ministries of Finance, Transport, Agriculture, Labor, Development of Industry and Commerce, Mines and Energy, Interior, Communications, Social Security and Assistance, Culture, and Science and Technology.
VI. The general secretariats, current secretariats, or international advisory secretariats of the civilian ministries, or equivalent organs attached to the presidency, except as established in Article 19;
VII. The divisions or advisory security and information departments of civilian ministries and equivalent organs of entities subordinated to the federal administration.

Paragraph 1. Also eliminated are:

a. At the Presidency of the Republic:
1. The Economic Development Council;
2. The Social Development Council;
3. The Superior Environment Council;

b. At the Justice Ministry:
1. The Citizens Rights Defense Committee;
2. The National Council for Consumer Defense;
3. The Federal Council for Reconstruction of Damaged Goods.

c. At the Foreign Ministry:
1. The delegation for disarmament and human rights in Geneva;
2. The permanent delegation to international organizations based in London.
3. The permanent mission at the United Nations in Vienna;
4. The permanent representation at the Food and Agricultural Organization and other international organizations based in Rome.

d. At the Education Ministry: the Coordinating Board for Training of High-Level Personnel.

Paragraph 2. The assets of the organs mentioned above will be transferred to the ministries or organs absorbing the respective duties. The executive branch is authorized, after an inventory, to dispose of any excess and to donate it to the states, the federal district, municipalities, educational or social security institutions, or nonprofit organizations recognized by the law.

Paragraph 3. The budget allocations for organizations listed in this article, except as pertaining to personnel or social expenditures or programs of specific social interest, are canceled. The executive branch is authorized to grant supplementary credits, using the liberated money up to its limit of value in Units of Budget Reference, to fund subprojects or other activities charged to ministries and organs that absorbed the additional duties after the elimination of departments, as mentioned above.

Paragraph 4. With the purpose of implementing this provisional measure, the executive branch is hereby authorized to:

a. Extinguish or transfer, in the area of the Federal Public Administration, the specification—without increasing expenditures—of positions, positions of trust, or special functions of a similar nature, of the High Directorate and Advisory Group (DAS) and the Intermediate Directorate and Advisory Group (DAI), by changing the names of these groups.

b. Transfer the Special Employment or Temporary Personnel Tables to the organizations that absorbed the responsibilities of the two groups.

c. Establish a maximum number for employees of the Presidency and civilian ministries and redistribute them in accordance with the interests of the administration.

Article 28. The employees that exceed this number in the organizations and ministries reorganized under the terms of this provisional measure will be:

I. Dismissed, if the employee holds an exclusive position of trust (LT-DAS) or a high advisory position (PAS);

II. Automatically returned to their original organizations, if they have been assigned from other organizations.

III. Discharged from the appointed position or from the position of trust (DAS), or dismissed from the appointment (DAI), thus returning to his or her permanent position or appointment, but without contradicting the determinations established in the following item:

IV. Placed in a reassignment status, whenever occupying a permanent position or job in the respective cadre or table.

Paragraph 1. The proceedings for the reassignment status process will be carried out urgently and the seniority period for the temporary determination of salaries will be based on the permanent registers of employees' individual records.

Paragraph 2. Rules on retirement will be observed in determining seniority periods.

Paragraph 3. Except in the case of a legal accumulation of personnel, employees in a reassignment status cannot occupy any commission, position, or job nor render paid services to any division or organization of the Federal Public Administration, state administration, or municipal administration.

Paragraph 4. The executive branch is authorized to reassign, through decrees, employees whose situations are described in the previous paragraphs.

Article 29. The terms of this provisional measure do not legalize reassignments made against the terms of the current laws. They do not free from responsibility those who contradict the law.

Chapter IV

On General Provisions

Article 30. The entities comprising the decentralized Federal Public Administration will be linked to the Presidency of the Republic and to the ministries in accordance with the rules contained in Paragraph 1 of Article 4 and Paragraph 2 of Article 5 of Decree 200, dated 1967, and will be supervised by the secretary of the Presidency of the Republic and the secretaries of the ministries, respectively, except in special cases that will be specified in the decrees.

Article 31. It is forbidden to spend public funds to pay personal salaries, transportation expenses, per diem, or meal expenses of employees who are attending council meetings, who are on appointment, or who are working for associated bodies of the centralized Federal Public Administration and do not have legal status.

Paragraph 1. The executive-secretariat services of the associated bodies must be carried out by the organizations comprising the basic structure of the ministry.

Paragraph 2. The work of employees contributing to associated bodies that have ruling, deliberative, supervisory, consultative, coordinating, or advisory functions or that are responsible for outlining sectorial policies will be considered relevant service.

Article 32. It is also forbidden to create entities of the decentralized Federal Public Administration to technically or administratively support the organizations and other entities of the centralized Federal Public Administration, foundations, or autonomous organizations.

Chapter V

On Final and Temporary Provisions

Article 33. A special law will determine the process and judgment for matters related to discipline and to sports competitions.

Article 34. The appeals filed against decisions regarding installments, contributions, or violations of welfare sector and labor sector laws will continue to be processed and judged by the highly competent organizations.

Single Paragraph. The organizations mentioned in this article will be dismantled when the council referred to on line "f" of Item VI of Article 23 is installed.

Article 35. Law 6938, dated 31 August 1981, modified by Law 7804, dated 18 July 1989, will be enforced with the following modifications:

"Article 1. Based on Items VI and VII of Article 23 and on Article 235 of the Constitution, this law establishes the National Policy on Environment, its goals, and its formulation and implementation mechanisms; it constitutes the Environment National System—Sisnama; and establishes the Environmental Defense Survey."

Article 6 ... [as published]

I. Highest-level body: The Government Council, which will be in charge of advising the president of the Republic on the formulation of national policy and governmental directives on environment and environmental resources;

II. Consultative and deliberative body: The Environment National Council—Conama—aimed at advising, studying, and proposing directives to the Government Council on governmental policies on environment and natural resources and at deliberating—within its capacity—on norms and standards that are compatible with an ecologically balanced environment, which is essential for a healthy life;

III. Central body: The Environment Secretariat of the Presidency of the Republic, whose objective is to plan, coordinate, supervise, and control—as a federal organization—the national policy and government directives established for the environment;

IV. Executing body: The Brazilian Institute for Environment and Natural Renewable Resources, which is aimed at implementing and enforcing—as a federal organization—the government policy and directives established for the environment;

"Article 4. It is Conama's responsibility to:

II. Whenever it deems it necessary, make an analysis of the alternatives and possible environmental consequences of public or private projects, requesting from federal, state, and municipal organizations and private entities data that may be necessary for an analysis of environmental impact studies and reports on construction or other activities that may cause a significant deterioration of the environment.

Single Paragraph. The secretary for environment is—without hindering his functions—the Conama chairman."

Article 36. Article 2 of Law 7735, dated 2 February 1989, will be enforced with the following text:

"Article 2. The Brazilian Institute for Environment and Natural Renewable Resources is hereby created as an autonomous federal organization whose objective is to implement and enforce government policy and directives established for the environment."

Article 37. Article 4 of Law 7797, dated 10 July 1989, will be enforced with the following text:

"Article 4. The National Environment Fund will be administered by the Environment Secretariat of the Presidency of the Republic, in accordance with the directives established by the Government Council, without hindering the Conama authority."

Article 38. Article 10 of Law 7653, dated 24 October 1989, will now be enforced with the following text:

Article 10. The superior coordination of government actions and affairs, as well as measures, that concern handicapped people will be the responsibility of the National Coordinating Board for Handicapped People (Corde) which will be an autonomous organization of the Social Action Ministry, to which specific budget resources will be allocated.

Single Paragraph. The organization to which this article refers is responsible for: the reformulation of the national policy for the incorporation of handicapped people to include its planning, its programs, and its projects. It is also responsible for complying with orders from above in cooperation with other public organizations."

Article 39. Law 7232, dated 23 October 1984, will be enforced with the following modifications:

Article 6. The secretary of science and technology is responsible for the chairmanship of the National Council for Information Science and Automation (Conin).

Paragraph 1. To achieve the objectives of national information science policy, Conin can authorize the establishment or dismantlement of centers for technological and information science research in any part of the national territory or abroad.

Paragraph 2. The organization and functioning of Conin will be determined by the executive branch.

Paragraph 3. Except in the cases determined in the following paragraph, the duration of the appointment of the members of the council who do not work for the government will be three (3) years.

Paragraph 4. The appointment of any of the council members will be over when the president of the Republic leaves power."

Article 7.

I. To advise the Government Council in the drafting of the national information science policy;

II. To propose to the Government Council, every three (3) years, the national plan for information science and automation, which will be approved and evaluated by the National Congress, and to supervise its implementation;

IV. [dropped number as published] To propose to the Government Council complementary legislative measures that may prove necessary for the implementation of the national information science policy.

Article 40. Articles 55 and 67 of Law 7501, dated 27 June 1987, will be enforced with the following text:

Article 55. To be transferred to the Foreign Service Special Cadre:

I. The first class minister who turns 65 (sixty-five) years old or completes 15 (fifteen) years as first class minister;

II. The second class minister who turns 60 (sixty) years old or completes 15 (fifteen) years as second class minister;

III. The minister counselor who turns 58 (fifty-eight) years old or completes 15 (fifteen) years as minister counselor.

Paragraph 1. The transference of the above officials to the Foreign Service Special Cadre will occur when the first of the two conditions mentioned on items I, II, and III of this article occurs.

Paragraph 2. When the diplomat who is in a permanent mission abroad is transferred to the Foreign Service Special Cadre, he will become a member of the Secretariat of State. His departure from his post abroad cannot occur later than 60 (sixty) days after he is transferred to the Foreign Service Special Cadre.

Paragraph 3. The diplomat who is transferred to the Foreign Service Special Cadre cannot be appointed to permanent or temporary missions abroad.

Paragraph 4. When transferred to the Foreign Service Special Cadre, the second class minister who has acted as chief of a permanent diplomatic mission for at least 2 (two) years, will be paid a pension similar to that of first class minister of the same cadre.

Paragraph 5. The position of second class minister of the Foreign Service Special Cadre will become the position of first class minister of the same cadre, when the diplomat who is occupying the position meets [passage missing] before becoming the age [passage missing].

Paragraph 6. The position of minister counselor of the Foreign Service Special Cadre will become the position of second class minister of the same cadre, when the diplomat occupying the position meets the requirements of item II of Article 5 of this law before becoming the age for compulsory retirement.

Paragraph 7. The position of minister counselor in the Foreign Service Special Cadre, which has been transformed into the position of second class minister of the same cadre in accordance with the terms of the previous paragraph, cannot be transformed into the position of first class minister .

Article 67 [of Law 7501]. The local auxiliary will be governed by the applicable legislation, observing the peculiarities resulting from the special nature of the job and the conditions of the local labor market, in the form established in the appropriate regulation.

Article 41. The second class ministers, and the counselors who, on the date this provisional measure becomes effective, have completed 15 years in the class, will be transferred to the Special Cadre of the First Class Ministers within 90 days of the aforementioned date, maintaining the period for his departure from the post abroad as per Paragraph 2, Article 55, Law 7501 dated 27 June 1987, with the modifications introduced by this provisional measure.

Single Paragraph. Second class ministers and counselors who should complete 15 years in the class before 15 June 1990, will be transferred to the Special Cadre of First Class Ministers within the time period established in this article.

Article 42. The heads of organizations referred to in lines b, c, and d of Item I of Article 22 will be appointed by the president of the Republic, choosing among first class ministers of diplomatic career who had held the post of chief of diplomatic mission, in a permanent character, even if just in commission.

Article 43. The First Class Consulates in Los Angeles, Milan, New York, and Porto will be transformed into Consulates General.

Article 44. Article 7 of Decree 3199 of 14 April 1941 will henceforth be in force with the following modifications:

Article 2.

Paragraph 1. The mandate of counselor will last one year, and can be extended.

Paragraph 2. The mandate of counselor necessarily expires when the term of the president of the Republic ends.

Paragraph 3. The National Sports Council will be chaired by the head of the Sports Secretariat of the Presidency of the Republic.

Article 45. The first paragraphs of Article 3 of Law 7839 dated 12 October 1989, will henceforth be in force couched in the following manner:

Article 3. The management of the FGTS [Unemployment Compensation Fund] under general norms and planning prepared by a trustee council, composed of three workers' and three employers' representatives, in addition to one representative from the following organs or entities: Economy, Finance, and Planning Ministry; Labor and Social Security Ministry; Social Action Ministry; Federal Savings Bank [Caixa Economica Federal]; and Central Bank of Brazil.

Article 46. The executive branch will implement the regulation, to which Article 67 of Law 7501, dated 27 June 1986 refers within 120 days, with the text established by the current provisional measure.

Article 47. The functions performed by the diplomatic missions referred to on line "c" of Paragraph 1 of Article 26 will be attributed to the permanent delegation in Geneva, to the Brazilian mission to the United Nations in New York, and to the embassies in London, Vienna, and Rome.

Article 48. The Economic Defense Administrative Council, which was created by Law 4137, dated 10 September 1962, is composed of a chairman and four counselors.

Paragraph 1. The Economic Countries Administrative Council will be presided over by the national secretary for economic laws of the Justice Ministry, and the terms of line "c" of Article 10 of Law 4137, dated 1966, do not apply to it.

Paragraph 2. The counselors will be appointed for a four-year term by the president of the Republic, after recommendation of the minister of state, from among Brazilian citizens older than 35 years, of known capacity in the legal and economic field, and with an unblemished reputation.

Article 49. Through a decree, the executive branch will determine the organization and functioning of the ministries and organizations to which this provisional measure refers, specially of the Government Council and of its chambers.

Article 50. The Government Council will propose the national plan on cooperatives, which will be submitted to the National Congress.

Article 51. This provisional measure will go into force on the date it is published.

Article 52. Articles 122 through 124, and 172 of Decree 200, dated 25 February 1967; Article 2 of Law 7353, dated 29 August 1985; Article 1 of Law 7316, dated 15 September 1986; Article 7 of Law 6398, dated 31 August 1981; in accordance with the text established by Item IV of Article 1 of Law 7804, dated 18 July 1989; and other contradicting dispositions, are hereby revoked.

Brasilia, Federal District, 15 March 1990; the 169th year of independence and 102d year of the Republic.

Fernando Collor

Bernardo Cabral

Provisional Measure 153: Economic Abuse Crimes

PY2203232190 Rio de Janeiro O GLOBO in Portuguese 17 Mar 90 pp 24, 25

["Text" of Provisional Measure 153 issued in Brasilia on 15 March]

[Text] Measure determining the crimes committed by the abuse of economic power and making other provisions.

The President of the Republic, in the exercise of the authority vested in him by Article 62 of the Constitution, adopts the following Provisional Measure, which is binding as law:

Article 1. It is a crime, committed through the abuse of economic power and punishable by two to five years imprisonment or a fine of 200,000 to 5,000,000 BTN [National Treasury Bonds], to violate the constitutional principles of freedom of competition and the defense of the consumer by:

I - Banning the entrance or existence of other suppliers to the local, regional, or national markets by:

a. artificially fixing the price of merchandise below its cost;

b. giving preferential treatment to buyers or clients, except through the system of delivery for consumption through distributors or middlemen;

c. banning or restricting the access of competitors to the market of goods, raw materials, or equipment, or access to distribution channels;

II - Reaching agreements, pacts, settlements, or alliances among suppliers with the purpose of:

a. artificially establishing the prices or the quantities to be sold or produced;

b. establishing a regionalized control of the market by an enterprise or group of enterprises;

c. controlling, to the detriment of competition, a network of distribution or suppliers;

III - Establishing trusts through the direct or indirect control of shares or through a joint management of enterprises with a view to inhibiting free competition, as established in the aforementioned clauses.

IV - Promoting settlements or agreements among enterprises or people linked to said enterprises, or those interested in the purpose of their activities, that may jeopardize the freedom of competition and prompt

actions that may be harmful to the national economy or to the overall interests of the consumers.

Article 2. The following crimes shall be punishable by one to four years imprisonment or a fine of 5,000 to 200,000 BTNs:

I - the sale or offering for sale of merchandise, or the hiring or offering of services at prices higher than those established or being watched by government organs.

II - the implementation of formulas for price readjustment or the indexation of contracts prohibited by law, regulation, ministerial orders, or any other authorized body or organization, or several of those legally established organizations; or the implementation of price increases higher than those officially established.

III - the demand, the purchase, or the acceptance of any advantage or additional sum to that of the posted prices, frozen prices, authorized prices, or those prices fixed or controlled by the government, even through the establishment or additional increase of taxes or any other additional sums that may affect the hire, purchase and sale, or financing operations;

IV - the unjustified elimination, restriction, reduction, or suspension of sales, promotions, special sale plans, or discounts granted on the price of merchandise or services that were offered just before the price freeze or price control was implemented;

V - the refusal to give any competent authority the necessary elements to determine the production cost or sale price, thus preventing or jeopardizing the auditing of accounting books or inventories, or the refusal to give required explanations;

VI - the refusal or failure to supply, when required, invoices or equivalent documents accounting for the sale of merchandise or services carried out, or the issuance of such documents without complying with the law;

VII - the refusal to give information, or the supplying of false information on any of the terms under which the merchandise or services were acquired, including information about prices, deadlines, and interests rates included in the installments;

VIII - promoting the sale or exhibition for sale of merchandise not fit for consumption.

Single Paragraph - violation of Clause VIII by negligence will also be punished with temporary arrest instead of imprisonment or payment of a fifth of the fine.

Article 3. The following crimes shall be punished by two to five years imprisonment or a fine of 50,000 to 1,000,000 BTN;

I - the production, exhibition, or sale of merchandise whose wrapping, labelling, specifications, weight, or formula may violate legal specifications, or which do not adjust to the respective official classification;

II - mixing merchandise or non-manufactured goods of various kinds to exhibit them for sale or to try to sell them as the real product;

III - the violation of the official price control rules, without modifying the essence or quality, but by altering the wrapping, denomination, brand, technical specifications, volume, weight, paint, external appearance, finish of the products, merchandise, non- manufactured goods, or services as well as the separate sale of products, merchandise, non-manufactured goods, or services in places where they are usually offered as a whole;

IV - altering the denomination or description of the product, merchandise, or service, as well as the details of its model or reference number, form of payment, or demand, or to charge higher prices or different terms of payment;

V - the sale or offering for sale, purchasing, or making purchase offers that include in the prices for the transport, insurance, and handling of the merchandise, or refusing to deliver at the factory with the purpose of altering the customary terms, or violating the government rules for price control.

VI - subjecting the sale of merchandise or the supplying of services to the acquisition of other merchandise or services, or the purchase of arbitrarily established quantities;

VII - altering the price of the merchandise or services by including the price increase of basic materials not used to produce the merchandise or to supply the service;

VIII - increasing the price of the merchandise or services by percentages higher than the increase percentage of the basic material multiplied by the percentage of the basic material's content in the costs of the final product before its price was increased;

IX - violating the official price list or the price control law by altering the terms of payment or trading, including payment deadlines, number of installments, and the price percentage included in each installment referring to the acquisition of merchandise or services;

X - increasing the value of sales in installments of merchandise or services with prices subject to the price freeze or legal price control by charging interests rates higher than those charged in the financial market for the acquisition of similar merchandise or services;

XI - subjecting the sale of merchandise or the supply of services to the signing of financial contracts establishing interest rates higher than those charged in the financial market for financing, for equal terms of time, the acquisition of similar merchandise or services;

XII - hoarding basic materials or merchandise, refusing to sell them, intending to do so under the offered terms, or withholding them with the purpose of speculating;

XIII - confusing the consumer, through false information on the nature, quality, and quantity of goods and services, through any means including dissemination or publicity;

XVI - destroying or damaging raw materials or merchandise with the purpose of pushing prices up to one's own benefit or that of third parties;

XV - issuing invoices or bills that do not reflect the quantity and quality of the merchandise sold or the specific service hired;

XVI - intentionally failing to deliver the goods sold in compliance with all the agreed clauses and specifications;

Article 4. Should the judge, once he has assessed the illegal profit made by the defendant and his economic situation, decide that the fines provided in this document are insufficient or excessively large, he may reduce them to a tenth of their value or increase them by tenfold;

Article 5. In crimes committed through enterprises, the legal responsibility for the aforementioned illegal actions will fall on all those linked to the enterprise, who directly or indirectly, permanently or temporarily, or may have contributed to committing the crime; and on those who in their capacity as supervisor, director, administrator, manager, or anyone of authority ordered the crime, or who may have failed to fulfill his duty to supervise the activities of his subordinates or assistants.

Article 6. The following cases may increase from one third to one half the penalties provided for in this Provisional Measure:

I - if serious damages are caused to the society;

II - if the crime is committed by a public servant in the exercise of his duties;

III - if the crime involves the supplying of services or the sale of goods essential to the peoples' life and health.

Article 7. Punishment under this law does not free the defendant of his civil responsibility for the same crime.

Article 8. Compensation for the damages caused under civil court regulations does not exclude penal responsibilities.

Single Paragraph - in assessing the penalty, the judge will have to determine the criminal liability referred to in this Article.

Article 9. The National Secretariat of Economic Laws of the Justice Ministry will control the monopolies and oligopolies, and identify and repress any actions that may be harmful to the peoples' economy, and make sure that no enterprise or business violates the consumers' rights or the freedom of competition; and if necessary, even by taking measures under the law to take control of the responsible enterprise.

Article 10. When and if necessary, the National Supplies and Prices Department will order the confiscation of stocks to alleviate a crisis in the market or a shortage of supplies.

Article 11. Any private individual may, under the terms of this provisional measure, prompt actions by the organization in charge of defending the consumers, or by the court, by submitting in writing, information on the crime itself, the person responsible for it, as well as the circumstances under which it was committed, and for its investigation and punishment in compliance with this Provisional Measure.

Article 12. The abuse of economic power is considered a public crime.

Single Paragraph: Any individual or organization established at least one year ago may start legal actions should the court fail to adopt measures within the legal deadline.

Article 13. Those persons arrested for having been caught carrying out any actions defined as crimes in this document will not be released on bail nor will benefit from the terms of the single paragraph of Article 310 of the Penal Code.

Article 14. This Provisional Measure will be implemented on the day of its publication. All measures to the contrary are hereby repealed.

Brasilia, 15 March 1990, 169th year of the Independence and the 102d year of the Republic.

Fernando Collor

Zelia Cardoso de Melo

Provisional Measure 156: Public Finance Crimes

PY2303004790 Rio de Janeiro O GLOBO in Portuguese 17 Mar 90 p 25

["Text" of Provisional Measure 156, issued in Brasilia on 15 March]

[Text] This Provisional Measure defines the crimes against the Public Treasury and establishes the penalties to be applied to tax-payers, public workers of the fiscal area, and third parties who commit them.

Under the authority bestowed upon him by Article 62 of the Constitution, the president of the Republic adopts this Provisional Measure with the force of a law.

Article 1 - It is a crime against the Public Treasury to reduce, or attempt to reduce, in total or partially, a tariff, duty or tax—including accessory payments made or to be made—through one of the following ways:

I - To provide false information or to omit information that should have been reported to public workers of the fiscal area or to their agents;

II - To insert inaccurate information in the reports to the public workers of the fiscal area or to their agents, or to fail to register any operation on the documents or books that must be kept in accordance with the requirements of the fiscal law.

III - To adulterate a bill, voucher, or any document related to taxable operations;

IV - To supply, distribute, issue, or use forged bills or documents;

V - To draw or use documents that are known to be false or inaccurate.

Penalty: two to five years imprisonment and a fine.

Article 2 - The following situations are also considered crimes against the Public Treasury and can be punished with three to eight years' imprisonment:

I - When public workers of the fiscal area use official books, fiscal dossier, or any document related to taxes, which is under their official custody, for objectives different from those foreseen by the law, thus causing a reduction in the amount of the tax to be paid;

II - When public workers of the fiscal area ask for or receive, in their name or in someone else's name—directly or indirectly—undue advantages, or promises to grant these advantages, so as to fail to collect a tax, or to collect only part of it, even if this is done outside his office or before he occupies a position in the fiscal area;

III - When public workers of the fiscal area facilitate smuggling or the deviation of merchandise, which is a infraction of the public worker's duty;

IV - When a person offers or promises an undue advantage to public workers of the fiscal area so that they do not collect a tax, or collect less than the due tax.

Article 3 - The following are also considered crimes against the Public Treasury, which can be punished with six months to two years imprisonment and a fine:

I - To supply inaccurate information on personal data to the employer who is responsible for withholding taxes;

II - To demand, pay, or receive—for oneself or for the beneficiary tax-payer—any percentage of the deductible, or deducted portion of the tax as a fiscal incentive;

III - To fail to invest the portion deducted from taxes as a fiscal incentive in the appropriate objective and within the established deadline;

IV - To fail to transfer to the Public Treasury—within the 60 days after the legal or established term—the taxes withheld from salaries;

V - To fail to transfer to the Public Treasury—within the 60 days after the legal or established term—the tax received from third parties through an addition to, or inclusion in, the price of products or services and charged for in the voucher, bill or similar document;

VI - To fail to transfer to the bank or financial entity comprising the tax-collecting system—within the term established by the appropriate legal provision—the received taxes;

VII - To invest in a beneficiary enterprise, which is not foreseen in the approved project, the portions of the taxes deposited at the Banco do Nordeste do Brasil S.A. and the Banco Amazonia S.A., and which are disbursed by the Sudene [Superintendency for Development of the Northeast] and Sudam [Superintendency for Development of the Amazon Region], respectively;

VIII - To prepare, develop, use, make known, or fail to denounce to the fiscal authorities the data processing computer programs that supply the tax-payer with accounting data different from that which is, in accordance with the law, supplied to the Public Treasury.

Article 4 - In the case of crimes committed by a juristic person, the penal responsibility for the crimes defined here will be shared by those who are related to this juristic person—directly or indirectly, permanently or temporarily—and who have evaded, or contributed to the evasion of taxes.

Single Paragraph—The provisions contained in the first part of this article do not apply to public workers of the fiscal area who have, in one way or another, committed a crime or contributed to the perpetration of a crime.

Article 6 - The provisions contained in Article 327 and its paragraphs of the Penal Code apply to the crimes defined in this Provisional Measure.

Article 7 - The rules of the Penal Code and of the Penal Process Code apply, supplementary and secondarily, to the crimes foreseen in this Provisional Measure.

Article 8 - This Provisional Measure goes into force on the day it is published, and all contradicting provisions are hereby revoked.

Brasilia, 15 March 1990, 169th year of Independence and 102d year of the Republic.

Provisional Measure 157: Privatization Certificates

PY2203184590 Rio de Janeiro O GLOBO in Portuguese 17 Mar 90 p 21

["Text" of Provisional Measure 157, issued in Brasilia on 15 March]

[Text] This measure establishes the creation of Privatization Certificates and other provisions.

In the use of the authority bestowed upon him by Article 62 of the Constitution, the president of the Republic adopts the following Provisional Measure with the force of the law:

Article 1—Privatization Certificates, certificates that will be issued by the National Treasury, are created as follows:

I - They are nominal and not negotiable, except in the case of an express authorization by the Economy, Finance, and Planning Ministry;

II - They have no redemption date.

Article 2—The owners of Privatization Certificates can use them to buy shares of public sector enterprises that are privatized.

Single Paragraph - The use of Privatization Certificates may be limited to the auction specially summoned for the sale of public sector enterprises shares. This limitation will be decided by the organization or body specially created for that or, in case such organization or body is not created, by the Economy, Finance, and Planning Ministry.

Article 3 - The value of the Privatization Certificates will be readjusted as follows:

I - The face value will be readjusted by 100 percent of the monetary correction until the date of the first offer of public enterprise shares that can be purchased with these certificates;

II - As of the date of the first offer mentioned in the previous clause, the percentage of the monetary correction will be reduced by one percent per month successively, for 40 months;

III - After the 40 months as previously established, the value of the certificates cannot vary in one month more than 60 percent of the monetary correction;

Single Paragraph - The monetary correction referred to in this Provision Measure will be established in accordance with the variation suffered by the BTNF - Fiscal National Treasury Bond.

Article 4 - Ten years from this date, the National Treasury will have to redeem the difference between the total value of the issued Privatization Certificates and the total value of the purchase of public enterprises shares that can be purchased with these certificates.

Single Paragraph - In the above case, the value of the Privatization Certificates will be readjusted through an integral monetary correction that will start on the date when the certificate is issued and end on the date when it is redeemed.

Article 5 - The National Monetary Council will regulate the volume of Privatization Certificates that the private welfare entities, the insurance companies, and the financial institutions can purchase, and the conditions in which they can do it.

Article 6 - This Provisional Measure goes into force on the day it is published.

Article 7—All contradicting provisions are hereby revoked.

Brasilia, 15 March 1990, 169th year of the Independence and 102d year of the Republic.

Provisional Measure 158: On Import Tariffs

PY2203192690 Rio de Janeiro O GLOBO in Portuguese 17 Mar 90 p 24

["Text" of Government's Provisional Measure 158, issued in Brasilia on 15 March]

[Text] This Provisional Measure regulates the elimination of import tariff reductions and establishes other provisions.

The president of the Republic, in the exercise of the authority vested in him by Article 62 of the Constitution, hereby decrees the following provisional measure, which shall have binding legal power:

Article 1. The exemption and reduction of special or general import tariffs and taxes on manufactured products, which affect foreign goods, are hereby canceled, except for the cases mentioned in Articles 2 and 5 of this Provisional Measure.

Single Paragraph - The terms of this Article apply to federal, state, and municipal autonomous agencies' imports.

Article 2. Import tariff reduction and exemption shall apply exclusively to:

I. Imports Ordered:
a. By the Federal Government, states, the Federal District, territories, municipalities, and by the respective self-supported organizations;
b. By political parties and by educational or social assistance institutions;
c. By permanent diplomatic missions and consular sections and by their respective members;
d. By permanent missions of international organizations, including those regional organizations of which Brazil is a member, and by their respective members;
e. By scientific institutions.

II. Cases of:
a. Imported books, newspapers, periodicals, and paper for publishing those materials;
b. Postal parcels and samples without commercial value;
c. Postal parcels and air postal parcels received by individuals;
d. Baggage of travelers coming from foreign countries or from the Manaus Duty-Free Zone;
e. Goods purchased in a Duty Free Store, in Brazil;
f. Goods introduced from foreign countries and mentioned in section "b" of Paragraph 2 of Article 1 of Decree No. 2120 dated 14 May 1984;
g. Goods which have been imported under the special customs regime described in Clause III of Article 78 of Decree No. 37 dated 18 November 1968;

h. Basic food products; fertilizers and chemicals for use in the farming and livestock sectors and the raw materials for the production of such fertilizers and chemicals in Brazil, which have been imported under the terms of Article 4 of Decree No. 3244 dated 14 August 1957 and of Article 7 of Decree No. 83 dated 21 November 1968;

i. Goods imported under the terms of Decree No. 7232 dated 29 October 1984;

j. Spare parts and components for repairing and checking airplanes and ships and for their maintenance.

Paragraph 1. The exemption referred to in section "g" of Clause II of this Article shall apply to the importation of raw materials, products and components to be used for the production in Brazil of machines and equipment. The raw materials, products, and components shall be purchased through international bidding and shall be paid for in convertible currency provided by international financial institutions of which Brazil is a member, or by a foreign governmental agency.

Paragraph 2. The exemptions referred to in this article shall be granted in keeping with the applicable regulations.

Article 3. The Tax on Manufactured Goods shall be canceled or reduced in the following cases:

I. Those cases referred to in Article 2 of this Provisional Measure, provided that the requirements and conditions which are necessary for canceling or reducing import tariffs are also met;

II. In the case of special taxation of baggage or simplified taxation of parcels and international airmail parcels.

Article 4. The taxation provisions specified in Articles 3 and 7 of Decree No. 288, dated 28 February 1967, Article 2 of Decree No. 356, dated 15 August 1968, and in Article 3 of Decree No. 1435, dated 18 November 1975 shall apply to the imports ordered for the Manaus and Western Amazonian Duty-Free Zone.

Article 5. Those goods for which import tariffs have been reduced or canceled by virtue of international accords signed by Brazil shall be subject to the taxation regulations established in such accords.

Article 6. Domestic taxation shall apply, in keeping with the respective regulations, to those imported goods on which no import tariffs have been paid.

Article 7. The Customs Policy Committee shall keep its power to change import tariffs rates, as is provided for in section "b" of Article 22 of Decree No. 3244, dated 14 August 1957, and in keeping with the terms of Article 3 of Decree No. 3244, dated 14 August 1957, which was amended by Article 1 of Decree No. 2162, dated 18 September 1984, and of Article 5 of Decree No. 83, dated 21 November 1966.

Article 8. The Freight Surcharge for the Renewal of the Merchant Marine (AFRMM) provided for in Article 3 of Decree No. 2404 dated 23 December 1967 is hereby reduced by 50 percent.

Article 9. The following taxes shall be eliminated as of 1 January 1991:

I. The Freight Surcharge for the Renewal of the Merchant Marine - AFRMM;

II. The Port Surcharge - ATP.

Article 10. Article 1 of this Provisional Measure shall not apply:

I. To tax exemptions and reductions for which there is evidence that they were granted in keeping with the respective regulations and before the date of enforcement of this Provisional Measure; and

II. To imported goods which are not in transit and for which tax exemption or reduction were granted under the terms of the previous regulations, provided their respective import permits were issued before the date of enforcement of this Provisional Measure.

Article 11. This provisional measure shall come into force on the date of its publication.

Article 12. Decree No. 1953, dated 3 August 1982, Decree 2452, dated 29 July 1988, and the other regulations which contradict this provisional measure are hereby repealed.

Brasilia, Federal District, 15 March 1990; 169th year of independence and 102d year of the Republic.

Fernando Collor

* Bankers, Businessmen, CUT View Collor Plan

90ET0140A Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Feb 90 Economic Section p 3

[Article by Jose Fucs]

[Text] In the Febraban president's view, the new bank taxes under the adjustment program should be considered an investment.

President-elect Fernando Collor's intention of placing on the banks part of the burden of the package of economic measures to be implemented immediately after the new government takes power on 15 March does not worry representatives of the financial system. The banks are willing to provide their portion of the contribution for the Collor Plan, as long as the government fulfills its part and promotes fiscal and monetary adjustments in the country's economy, the president of the National Confederation of Financial Institutions (CNF) and the Brazilian Federation of Banking Associations (Febraban), Leo Wallace Cochrane, Jr., said yesterday.

"Nothing can be worse than it is today," said Cochrane. "The banks' contribution to the new government's economic adjustment plan should be looked upon as an investment." Cochrane knows that the federal government has an empty purse and will need money to balance the public accounts while the fiscal adjustments are being implemented, as these will only affect the economy in the medium and long terms.

"We have be realistic in addressing the government's financial difficulties," he said. "In order to reduce interest rates and succeed in lowering the cost of servicing the national debt, the government must certainly have recourse to a tax increase, because no one can do magic in the financial markets."

The Febraban president does not reject the possibility of a future "tax bite" by the government on the overnight money market, such as a 10-percent turnover tax. "Profits have been extraordinary over the last few months. In real terms, the overnight market yielded a return of close to 30 percent in dollars last year," he noted. "To return part of that to the government is to look five meters ahead rather than only as far as the end of one's nose, as we do today, and that is worth the trouble."

Despite being ready to cooperate with the new government in the economic recovery and in reducing inflation, the bank representatives also have their complaints. Jose Carlos Jacintho de Campos, president of the Brazilian Association of Commercial Banks (ABBC), which represents some 50 small and medium-sized financial institutions, made the point that the banking system is already treated in a distinct manner by the federal revenue service.

Currently, he said, the banks already pay, for example, a 45-percent income tax on gross profit, while other industries in the economy contribute only 40 percent. Jacintho de Campos also argued that there have been other industries that have benefited from the high interest rates in the overnight market during the past few months. He cited the automobile industry, which in 1988 had average earnings of 24 percent on capital, while banks earned only 15.9 percent. He also said that the increased Tax on Financial Operations (IOF) under the new government will raise the cost of money to borrowers.

Economist Jose Julio Senna, former public debt director at the Central Bank and currently director of Banco Boavista, also criticizes the increased tax on extremely short-term operations in the financial markets. "I have already seen the government increase its tax on short-term financial operations several times, without success," he stated. In that economist's view, the president-elect's economic program should be founded on two basic measures: a fiscal and monetary adjustment that gives credibility to the new government and a Central Bank independent of the National Treasury.

Abamec Requests Investments

Rio—President of the Brazilian Association of Capital Market Analysts (Abamec-RJ) Robson Pacheco favors the general lines of the package developed by President-elect Fernando Collor's economic team. Despite that, he criticized some controversial ideas, such as the possibility of a surtax on business profits. According to him, this measure is dangerous and the best thing would be to encourage firms to reinvest their profits in production increases.

Another of the Abamec president's criticisms touches on the pre-fixing of prices, salaries, and financial operations. In his view, that recourse proved to be ineffective in the various economic packages launched by the Sarney government and did not actually bring about the expected results. "I am in favor of the law of supply and demand as an instrument of market regulation," he said, arguing that measures of this type are "traumatic and encourage the parallel market."

The item that most pleased Robson Pacheco was the possibility of an increase in the privatization program.

According to him, a reduction of the state's participation in the economy would bring immediate benefits, which would combine to increase the efficiency of many enterprises now under the state's control, as well as permit the democratization of capital. But he warns, "It has to be a serious program, with the sale of common stock in a widely-dispersed manner, and without preconditions, in order to prevent the formation of cartels."

CUT Prepared for Confrontation

Santo Andre—The Central Workers Union (CUT) is ready for confrontation with the Collor government, certain that the economic plan will not encourage the distribution of income, but on the contrary, will hurt workers even more. CUT State President Arlindo Chinaglia says he is convinced that the ones to pay for the increase in the IPI, the tax on source income, and the pre-fixing of an inflation index, will be the salaried workers. "I see a great risk of there again being control only over wages and not over prices," he stated. "All of the control structures have failed and it is impossible to try to stem hyperinflation in a gradual manner, as they intend."

Durval de Carvalho, CUT national executive director and president of the Campinas Metalworkers Union, said that the plan appears to be inefficient and that CUT is fully aware that Collor will hold "dialogue with relatives and friends and confrontation with adversaries."

The organized labor movement is not alone in its opposition to Collor, said Carvalho, because there is a recession coming and millions of voters will be against the president.

Chinaglia and Carvalho consider wage policy "untouchable" unless a better mechanism is being studied, but

they criticize the absence of discussion with the people to define any topic. According to Chinaglia, immediate plans, which are simply imposed, traditionally have the capability of "conflicting with agreements that have already been signed." They negate, he says, all the gains that have already been achieved. The absence of certain details in the new package still leaves workers insecure, according to Carvalho. "Will the government pay for past inflation when it calculates the readjustment for its estimate of future inflation? There is maneuvering room there and CUT should be watchful." The union leader, pessimistic about yet another plan, believes that Brazil "will miss Sarney" much sooner than expected.

The laying off of 180,000 public employees also worries the union leaders. "What are the criteria?" Chinaglia asks. Carvalho, regardless of criteria, believes the measure to be "populist," since he does not envisage concrete measures with respect to the structural problems of Brazil, in the new economic plan. The foreign debt continues untouched.

Businessmen Anticipate Reduced Deficit

There is resistance to accepting an index to fix prices and salaries.

The possibility that President Collor's economic team might apply an index to pre-fix salaries and prices has been considered by businessmen linked to Fiesp to be a high-risk measure. "In short time, the new government's credibility could be in ruins," states Walter Sacca, director of the organization's Economics Department. In his view, it is lucky that "its days are already numbered." The biggest hopes among directors of industrial firms are centered on the proposals for eliminating the public deficit. They believe the fiscal adjustment will only be effective in controlling inflation, which makes the other measures, in effect, only cosmetic.

Aldo Lorenzetti, president of Lorenzetti Industries, notes that the majority of the proposals of Collor's economic team depend upon approval by the National Congress and will have to count, therefore, on the support of the representatives. Lorenzetti does not believe that the future president will be able to reduce inflation by applying an index. His success will depend upon a gentlemen's agreement, whose enforcement will only be achieved with the quid pro quo of a guarantee of economic stability. "Once they feel threatened, the class entities will tend to take away their support."

Sergio Ugoline, president of the Electrical Conducting Industries Union of the State of Sao Paulo, however, considers the pre-fixing of prices and salaries to be "an intelligent idea." He explains that inflation is already linked to Brazilian culture and the freezing of prices always ends up stimulating consumption, once it is presupposed that income is less than savings accounts. Like the others, Ugoline believes that the measure cannot be supported for more than two or three months.

Celso Hahne, president of the Material Plastics Industries Union, noted that one does not end inflation by decree. The future government will have to have recourse to stronger measures, among which, according to him, are compulsory borrowing, even taking into consideration the limits to that recourse established by the constitution. "A good judicial rationale could associate high inflation with a situation of public calamity."

Fiesp President Mario Amato believes it inappropriate now to make any comment on the proposals of Collor's economic team. He noted, however, that the pre-fixing of prices and salaries has already been tried before, by the then Minister of Housing Delfim Netto. In his opinion, the measure produced satisfactory results at the time. Luiz Del Nero Netto, director of the Hygiene and Beauty Products Industries Union, stated that to be just, the application of a index cannot be linear. It should take into account the peculiarities of every sector. "If not, the businessmen and the workers will again be the scapegoats for inflation."

*** Foreign Trade Structure Changes Examined**

90ET0116A Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Jan 90 p 7

[Article by Joao Borges: "Team Wants To Open Up Foreign Trade"]

[Text] Brasilia—The plans of Collor's advisory team include a Brazilian EXIMBANK [Export-Import Bank] and changes in CACEX [Foreign Trade Department]. Under the direction of Zelia Cardoso de Mello, the team of economists that is preparing the details of the Collor administration's economic plan is considering a complete reorganization of Brazil's foreign trade structure, with the objective of opening up the Brazilian economy to the competition of the international market. The plans under discussion include conversion of the Foreign Trade Department of the Bank of Brazil (CACEX) into a secretariat of the new Ministry of Economy and the creation, within the medium term, of an institution—modeled on the EXIMBANKs of the developed nations—that will be responsible for the financing of Brazilian exports.

The economists initially proposed simply to do away with CACEX, an organ of the federal government that has been identified as an inexhaustible source of corruption, favoritism, and patronage. According to the Collor team, CACEX—which is responsible for issuing import licenses—processes the requests of businessmen without reference to any established or well-defined criteria, inasmuch as no legal standards exist to regulate these matters.

Under the original plan, restrictions would be retained for the protection of certain sectors of the market specified by law as well as sectors regarded as strategic from the national standpoint, including computer technology. The administrative controls would be replaced by tariffs administered by the Customs Policy Commission (CPA).

Last week, however, the economists came to the conclusion that Brazil's international reserves (currently about $7 billion) would not support a change of that magnitude. They estimated that these reserves could be dissipated within a few months after adoption of the proposed change.

A different approach was then adopted. Administrative control would be retained, in a more selective form, and would be accompanied by a revision of the customs duties. One proposal being discussed is to hold auctions of import licenses, so as to forestall the policy of favoritism and corruption. In a predetermined month, the government would announce to the market that it was going to hold an auction of a given dollar value of import licenses. All interested businessmen could participate, and the winning bids would be those that offered the best price in terms of the dollar. No decision has been taken yet, however, concerning the mechanism that will be adopted to make the granting of these licenses more open and less encumbered by red tape.

Another idea under study is the creation of a Brazilian EXIMBANK that would be responsible for financing Brazil's exports, in the same manner as the EXIMBANKs of the United States, Japan, Great Britain, and other developed nations. Fernando Collor's group of economic advisers views as antiquated the mechanism currently used to support the Brazilian export sector, a mechanism consisting basically of FINEX [Financing and Export Fund], administered by the Bank of Brazil. The resources allotted to this fund by the Treasury have been diminishing in recent years. In 1988 the Treasury allocated 4.6 billion new cruzados to FINEX, whereas, in 1989 the figure was 1.9 billion.

The idea under discussion envisions the transfer to the BNDES [National Bank for Economic and Social Development] of the role of financier of Brazil's exports. A directorate would be created within the BNDES for this specific purpose. This directorate would be the embryonic Brazilian EXIMBANK, which would come into being with these characteristics and functions within a timeframe of a minimum of two years.

The Goal Is To Get Rid of the Cartels

In the estimation of Fernando Collor's team of economic advisers, there are several explanations for this attempt to open up the Brazilian economy. First and foremost, the president-elect wants to demonstrate to the developed countries that Brazil intends to become part of the First World, with a modern economy, advanced technology, and the capability to compete in foreign markets. Integration of Brazil into the international community would also make it possible to negotiate the foreign debt on more favorable bases.

According to the diagnosis by Collor's advisers, opening the economy to the world is also essential to elimination of a number of bottlenecks within the Brazilian economy itself, and, in particular, those caused by the existence of monopolies and oligopolies. These economists believe that the activities of these cartels have caused serious distortions in prices and supplies. Moreover, they make implementation of the government's economic policies difficult and, in extreme cases, hinder modernization of the nation's industrial park.

The economists of the group headed by Zelia Cardoso de Mello cite, for example, the case of the textile sector, whose prices are not subject to any controls and fluctuate solely in accordance with the interests of the entrepreneurs. The automobile industry should probably also be on this list, for according to the Collor advisers, some products offered for sale in Brazil are technologically less advanced than those sold abroad. And then there are the auto parts factories, which have the capability of shutting down the supply of vehicles in Brazil, as has already occurred several times in recent months.

* Arab Group Purchases Engesa Subsidiary

90ET0116B Sao Paulo VEJA in Portuguese 24 Jan 90 p 72

[Text] The Arabs—who for a long time have had a deal simmering for the acquisition of a quantity of Brazilian tanks produced by ENGESA [Specialized Engineers, Incorporated]—bought early this month for $22 million, the National Railway Car Factory (FNV), an ENGESA subsidiary, which produces auto parts and railway equipment in the city of Cruzeiro, Sao Paulo. From the Arabs' point of view, the deal—financed through the Arab South America Investment Company (ASAIC)—was a good one: the FNV is a profitable company that had sales last year of $170 million and sells its products even on the demanding European market. From ENGESA's point of view, the situation is different: when the war between Iran and Iraq ended, the company—headed by engineer Jose Luiz Whitaker Ribeiro—lost its best market for its products and is today in serious financial difficulty.

With the $22 million in its pocket, ENGESA will be able to keep its armaments business afloat for a while—but it has lost a subsidiary that was a source of profit. The new head of the FNV is the entrepreneur Faruk Musa, who last week announced a package of plans. He plans to invest $50 million in the company between now and 1995, and to export his products precisely to the market that created problems for ENGESA: the countries of the Middle East.

* Military Reserve Considers Forming Own Party

90ET0116C Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Jan 90 p 10

[Article by Eliane Sobral: "Military Consider Forming a Party"]

[Text] Brasilia—Military personnel in the reserves are organizing to run candidates nationwide to represent them in the National Congress. For the time being they will "defend their class" by using other party labels; the

PDC [Christian Democratic Party], PDS [Social Democratic Party], PL [Liberal Party], and PTR [Reform Labor Party] are the parties most favored. But the idea is to form their own party, membership in which will be open—other than to the military—only to professionals who have specific interests relating to the military.

In Brasilia, retired Army Lieutenant Antonio de Souza Garcia, 54, will be a candidate for federal deputy in the October elections. Garcia—who served as an official in the Fernando Collor election campaign—is a member of the Reform Labor Party (PTR) and plans to run under that label. "However," he said, "we shall accept candidacies even under the Workers Party label." In his opinion, the important thing is to defend the interests of the nation and of the "military comrades."

According to surveys taken by Garcia—who ran unsuccessfully for a seat in the Chamber of Deputies in 1986—there are 20,000 reservists in Brasilia alone. Retired captain and current city councilman Jair Bolsonaro (PDC-Rio de Janeiro) asserts that the aim is to group together, in the "Party of the Military," liberal professionals "whose ideological profile is preferably center-right, of course."

In all of Brazil, from just the Army alone there are 21,000 reservists and an additional 28,000 in retirement. These numbers are sufficient to ensure the election of at least one military candidate in every state. If elected to Congress, the number-one priority of these military representatives will be to advocate better pay for the services. In Garcia's opinion, "the retired Army Colonel Senator Jarbas Passarinho (PDS-Para) has not been sensitized to our cause, and it is essential that someone restrain the hatred that some deputies have for the military."

Chile

Further Reports on Terrorist Attack on Generals

Wounded Generals Improving

PY2203222390 Santiago Radio Chilena Network in Spanish 1700 GMT 22 Mar 90

[Excerpt] Summarizing the latest clinical reports released by the medical director of the Military Hospital, Doctor Gonzalo Sorolla Balaresque, and by the medical director of the De la Paz Hospital, Colonel Jorge Perez Riffo, General Gustavo Leigh Guzman is out of danger and General Enrique Ruiz Bunger is progressing well.

The former Air Force officers were admitted in extremely serious condition after they were the target of a terrorist attack by two individuals who emptied the clips of their automatic pistols into the two generals while they were in their real estate brokerage office in a building located at 95 Luis Thayer Ojeda Street, Providencia District.

Both former Air Force officers spent the night at the respective intensive care units under the uninterrupted watch of an interdisciplinary group of doctors. [passage omitted]

Aylwin Repudiates Attack

PY2203204490 Santiago Television Nacional de Chile Network in Spanish 1800 GMT 22 Mar 90

[Italicized passages are recorded]

[Text] [Announcer] President Patricio Aylwin has said that the rumors seeking to associate yesterday's terrorist attack with the government's decision to pardon political prisoners are unfair.

President Aylwin spent all morning today at his office on Amapola Street. Among other visitors he received former Senator Osvaldo Olguin who, upon leaving, admitted that the president had offered him a position of trust but did not say what. Later on, before leaving for the Military and Air Force Hospitals to visit the people wounded in yesterday's terrorist attack, President Aylwin said:

[Aylwin]*I cannot hide the fact that I am deeply shaken by this horrible incident, which has marred the climate of harmony, reconciliation, and happiness that has prevailed since I assumed office. I am concerned, naturally, because it means that there are still people who do not understand what this country wants, what this country needs— people for whom hatred and irrational violence prevail over reason and respect for the law and people.*

[Announcer] Regarding rumors associating yesterday's attack with the government's decision to pardon political prisoners, Aylwin said:

[Alywin]*I have exercised the power vested in me by the Constitution to pardon some people involved exclusively in political crimes and not in acts of violence against people. The justice minister will give a more detailed explanation on the issue today.*

[Announcer] Regarding General Pinochet's comments yesterday that this is the first in a series of attacks, Aylwin noted:

[Aylwin]*I have heard that the commander in chief of the Army yesterday said that this was the first attack and that there would be more. This is literally what he said, according to a newspaper. I find it odd that he had the information to make such a public statement and didn't personally inform me about it.*

[Announcer] President Aylwin visited General Gustavo Leigh at noon today at the Military Hospital to check on his condition.

[Reporter]*The chief of state visited Gen. Leigh for eight minutes at the Military Hospital. President, good afternoon. What do you have to say?*

[Aylwin]*I only came to visit Gen. Leigh and to check on his condition. I was able to see him. He is completely lucid and the doctor's report is very favorable. I expressed my solidarity to him and assured him that the government will make every effort possible to clear up this attack and to punish those responsible.*

PCCh Criticizes Pinochet Remarks

PY2303021290 Santiago Domestic Service in Spanish 2300 GMT 22 Mar 90

[Text] The Communist Party of Chile [PCCh] has repudiated the attack on General Gustavo Leigh, former Air Force commander in chief, and denounced the fact that the right is using this sad event to try to block the democratization process in the country.

In a communique, the PCCh criticized the remarks made by General Augusto Pinochet, the Army commander in chief, pointing out that they are extremely serious and that the country has a right to ask Pinochet to deliver the information behind his claim that there will be a series of attacks.

The PCCh also rejected remarks made by several right-wing leaders who are taking advantage of the attack to prevent the release of political prisoners and therefore (?block) the democratization of the current laws.

The PCCh gave a positive assessment of the efforts by President Patricio Aylwin's government to uncover the truth in the cases of human rights violations.

Other Reactions to Attack

PY2203152490

[Editorial Report] Santiago Domestic Service in Spanish at 1100 GMT on 22 March devotes most of its newscast to a series of reactions to the terrorist attack on General Gustavo Leigh.

Edgardo Boeninger, secretary general of the Presidency, and Mining Minister Juan Hamilton visited the hospital where Gen. Leigh is being treated. Hamilton told reporters that he "strongly condemned the terrorist attack" on the two Air Force generals adding that the Armed Forces and the government are determined to "complete the process of transition" without allowing "provocations" to disrupt it.

Interior Minister Enrique Krauss condemned the attack saying that terrorists "seek to destabilize the democratic process."

Labor Minister Rene Cortazar, Finance Minister Alejandro Foxley, and Economy Minister Carlos Ominami expressed their "strong repudiation" of the attack. Minister Ominami said the incident "seeks to destabilize and stain the process of democratic consolidation."

General Fernando Matthei, Air Force commander in chief, expresed "his strong repudiation" of the attack and his "solidarity with Gen. Leigh, wishing him a speedy recovery." Matthei added that all Air Force members "condem the cowardly attack" on Gen. Leigh.

Senate President Gabriel Valdez and Chamber of Deputies President Jose Antonio Viera-Gallo "categorically condemned" the attack. Valdez called for a thorough investigation and "exemplary punishment" of those responsible. Senate Vice President Beltran Urenda expressed "rejection and indignation" at the attack on Gen. Leigh.

Senator Jaime Guzman of the Independent Democratic Union repudiated the attack, praised Gen. Leigh's patriotic participation in the 1973 coup, and added that "the terrorist and murderous attack" shows the danger of "communist terrorism for the peaceful coexistance of Chileans." Guzman warned that terrorist groups have said "they will keep and use their weapons."

Central Labor Union President Manuel Bustos said the attack on Leigh "is a provocation against all Chileans and their spirit of coexistence."

The Chilean Episcopal Conference "strongly condemned" the attack on Gen. Leigh.

The Socialist Party issued a declaration "strongly repudiating" the incident.

Patricio Rivas, member of the Movement of the Revolutionary Left [MIR] political commission, read a declaration "condemning and rejecting the attack." The MIR added that the attack was formulated by the "Pinochetist intelligence centers to create the conditions for an attack on the democratic forces."

Mexican President Arrives for Official Visit

PY2303034490 Madrid EFE in Spanish 0238 GMT 23 Mar 90

[Excerpts] Santiago, 22 Mar (EFE)—Mexican President Carlos Salinas de Gortari today began an official visit to Chile to resume diplomatic relations—which have been interrupted since November 1974—and to sign agreements in various areas. [passage omitted]

Salinas de Gortari, who arrived at the Santiago international airport on board the "Benito Juarez" presidential plane, was welcomed by Chilean President Patricio Aylwin, who was inaugurated just 11 days ago.

After reviewing a Chilean Air Force honor guard and greeting members of the Chilean cabinet, Salinas de Gortari left the airport without making remarks to the more than 100 reporters who went there to meet him. [passage omitted]

Six Soviet Fishing Ships Anchor in Valparaiso

PY2303024090 Santiago Domestic Service in Spanish 2300 GMT 22 Mar 90

[Report by Roberto Rodriguez from Valparaiso]

[Text] Six Soviet factory-fishing boats have anchored at this port for maintenance and resupply operations. This has given about 400 Soviet officers and crewmen an opportunity to disembark and to tour the sites in Valparaiso and Vina del Mar.

Port sources have indicated that the reason for the high number of ships at anchor is not the unavailability of piers but the fact that the captains of the ships have not asked for permits to dock. It should be noted that the Chilean state would collect $30 per hour, or $720 daily, for docking these fishing boats.

The crewmen of the Soviet fishing boats have been ordered by their captains not to make any remarks to the press. They are just concentrating on strolling and shopping in Valparaiso and Vina del Mar, purchasing cameras, electric appliances, television sets, and radios.

Women crew members have been seen carrying bags from several supermarkets, with foodstuffs, wines, and liquor.

The formalization of the reestablishment of diplomatic relations between the Soviet Union and Chile has thus been achieved, and more Soviet ships are expected to arrive in the next few hours.

* Christian Left Seeks To Form New Party

90ET0154B Santiago HOY in Spanish
12-18 Feb 90 pp 10-11

[Article by Pedro Ramirez P.: "A New Party for Maira"]

[Text] Just as the Socialist Party [PS] machine was still trying to tempt Luis Maira to join its ranks, the Christian Left [IC], led by Maira, pulled a rabbit out of its hat that totally upset those intending to draw a "Christian faction" closer to the unified PS: It wants to form a new party.

Ever since he was one of the protagonists of the creation of the Socialist Bloc, the Democratic Intransigence, and PAIS [Broad Party of the Socialist Left], no one has been surprised by the newest idea of Maira and his group. "Based on a reorganization of the Christian Left, we want to build a party expressing a renewed, modern socialism, but one faithful to the tradition of representing the lower classes, urban and rural workers, and settlers," explained Roberto Celedon, member of the IC Political Committee.

The PS thinks it will be a short-range effort. Some even dare to insinuate that the IC is allowing itself to be courted so as to be in a better position to negotiate its integration into socialism, that Maira has even decided on what date he will do so, and that sooner or later he will be joined by the members of the PRSD [Democratic Socialist Radical Party] and even the MIR [Movement of the Revolutionary Left].

Inside the IC, however, the thinking is different.

Three Opinions

On Saturday, 20 January, the last plenary session of the IC Central Committee was held. Deputy-elect Sergio Aguilo opened the debate by proposing the party's integration into the PS, but the response was poor: Only Carlos Furche seconded the idea, although it is said that Juan Enrique Miquel, appointed undersecretary of public works, also supports the motion.

The second opinion expressed at the meeting was to leave the party unchanged but to register it legally, an option supported by Deputy Jaime Naranjo and leader Rafael Agustin Gumucio, who also fared poorly.

Finally, the assembly moved to call a congress of the IV for the purpose of reorganizing and setting up a new socialist grouping.

Celedon explained that it was a matter of expanding the current base of the Christian Left, inviting members of other parties, social organizations, and nongovernmental entities to participate in the congress.

It was learned that in order to draft the proposal, talks had already been held with MIR and PRSD leaders and independents such as Juan Pablo Cardenas and Manfred Max Neef. Patricio Hales and Denisse Pascal were also approached, but they denied receiving any such invitation. Hales emphasized that the proposition was intriguing.

"We do not intend to become a party that will be polarized between the PC [Communist Party] and the PS, even though it is clear we shall occupy the space left after the socialist unification which 'centerlefted' that party," Celedon said. IC leaders emphasize it is not merely a matter of creating their "own path." In their opinion, it is possible to promote a socialist program placing emphasis on the reorganization of the social fabric that once harbored the left, unlike the PS model which, they say, favors policies coming from the state rather than the rank and file.

Consequently, there is a known contingent of former Almeydists from the working class milieu looking with interest to the IC process. There is already a group—known as "grass-roots unity"—which, following unification, distanced itself from the PS in order to throw its full support to the program of the new group.

MIR: Farewell to Arms

To date, the only party as such to follow the IC closely and seek some level of agreement with it is the MIR. Patricio Rivas, member of the Political Committee, noted that the Movement of the Revolutionary Left is going through a process of reflection and reorganization similar to that of the Christian Left.

Rivas confirmed that the MIR has proposed to the IC that together they legalize an instrumental party for the

chief purpose of participating in future election events. However, Christian Left members say it is something very difficult to carry out.

On Saturday and Sunday, the 3rd and 4th, the last plenary session of the MIR Central Committee was held. It was unanimously established that the party must be placed in a position to generate a "new left." The idea is to give up militaristic experiments once and for all. Furthermore, Rivas said they were willing to talk with the Manuel Rodriguez Patriotic Front and other factions of the MIR in order to convince them that to insist on the armed policy would only cause great harm to the left.

MIR leader Martin Hernandez confirmed that this plenary meeting initiated a kind of "second-phase MIR."

"The idea," he said, "is to develop profound changes in party structure and policy with the intention of modernizing it, generating the program of socialism we want looking to the third millenium and considering the profound changes that have occurred in Chilean society."

Both leaders emphasized that the MIR agrees almost completely with the IC's proposals and hope to reach some level of future agreement, but they disagree on the idea of creating a new party.

Leftist Table

For the MIR, the main task is to reach agreement on a common program by the entire left. Consequently, Hernandez thinks it is improper at the present time to talk about an organic program of MIR-IC integration. "The idea is to ensure that the entire left operates as a single bloc. Now then, if it is necessary for this purpose to have an initial phase of integration with the IC, we shall do so with pleasure, but the future goal is also to achieve a connection with the PS."

The latter point seems to be very important for Mirists, which is why they optimistically listened to the words of Clodomiro Almeyda at the Central Committee meeting he attended as a guest. The socialist leader voiced his concern about setting up some organ of communication for the entire left so that it may in the future function as a bloc with no division between those in the government and those not. With the speech Almeyda must have pocketed the previous statement by Jorge Arrate, who ruled out the Mirist proposal of creating a political board with everyone from the PPD [Party for Democracy] to the MIR itself participating.

The MIR and IC leaders' reading of this diversity of opinions within the Socialist Party leadership fuels one of the positions encouraging them to seek the integration of small parties that did not join in the unification: "There certainly coexist two models of socialism in the PS," Hernandez said, "and when the fight begins to determine which one will define the party's policy, we, along with the IC, must have resolved our arguments in order to present a common proposal that will influence the entire socialist sphere behind the program most closely linked to the lower classes."

For the time being, the MIR called its fifth congress. That event will define changes that must be made in party policy, and the IC proposal will be studied. It will also be a congress open to members of other parties and representatives of social organizations. Its organizing committee will try to schedule it on the same dates as the IC congress in order to have a joint debate.

"Lula" Maira

It is not yet known how the new group will be organized, although there are those in the IC who propose a model similar to that of the Brazilian Workers Party headed by former presidential candidate Luis Ignacio "Lula" da Silva. The idea is that member cells should coexist along with social organizations, the latter integrated into the party as such and retaining their autonomy (Christian communities, human rights groups, research centers, neighborhood committees, and so on).

Supporters will rally round a policy of alternative government—as the IC itself calls it—whose goal is to begin by gaining control of labor unions and communal governments. The first municipal elections will therefore reveal whether it is a plan with a future or merely a short-range effort.

MIR and IC leaders are emphatic about pointing out that whatever the result of the process (party, federation, or movement), it is not merely an assembly of those who lost the elections. As one IC youth leader said: "The idea is not to form a board of the ones who got skinned."

The fundamental point, according to Martin Hernandez, is to avoid the temptation of independents who participated in PAIS from going over to the PS, "because that would permanently destroy any attempt to make a revolutionary socialist policy."

During this period of reflection, the only thing about which MIR and IC members seem to be clear is that in their present condition ("the situation of a small party," as Celedon put it), they have no business being caught between two giants such as the PC and, above all, the PS. They are nevertheless confident they will be able to generate something new because as things now stand, they do not intend to emigrate to the Socialist Party. Luis Maira himself defined for HOY the reservations about PS unity: "This process came about on an organic level; it was only leadership adjustment in order to found two principal entities. But it did not come about based on a thorough discussion of the socialism Chile needs in the 1990's....We aspire to form a new-type socialist force with emphasis on participation by the people, government by the people, and grass-roots organization. I am personally going to work on articulating that program."

*** Economic Ties With Eastern Europe Viewed**

90ET0154A Santiago EL MERCURIO in Spanish 18 Feb 90 pp 8d-9d

[Article by Claudia Godoy L.]

[Text] 9 November 1989: After over 40 years, the Berlin Wall was finally coming down. On that day, Julio Lagos, Chile's representative to Poland, had signed an agreement restoring consular relations with the German Democratic Republic in that very city of Berlin.

13 February 1990: For the first time in several years, the Soviet Union responded to a diplomatic note from the Chilean Government protesting the entry of Russian boats into Chilean waters. The note provided explanations and expressed gratitude for the attention extended to Soviet sailors in our country.

Things do change and Chile is beginning to meet an objective set by the retiring government at the end of 1988: achieving a high degree of visibility vis-a-vis most countries.

"During the final phase of President Pinochet's government, the final and most important phase inasmuch as it was during that phase that the image of the process would be set and consolidated, we wanted Chile to achieve its greatest international presence. In keeping with that objective, we chose two centers of expansion: the European Economic Community and Central Europe." Such was the explanation given by Minister of Foreign Relations Hernan Felipe Errazuriz on renewing ties with the so-called "communist countries."

Doors are beginning to open and new paths emerging with these changes and our country has wasted no time. Above all, we have not lagged behind with respect to the development of new markets, showing our face to the Western world.

Eastern Europe, which we must now call "Central Europe" since, as the foreign minister says, "it is no longer east of anything," has a population of nearly 60 million inhabitants. It is now like a piece of pie we would all like to share and that is willing to be shared by everyone. Chilean experts say competition will be very stiff, but we can compete.

Secret Trade

Trading with these nations, the Soviet Union, and Cuba in recent years may have seemed like an almost insane idea, but such was not the case. Chile never broke off commercial ties and continued to export and import goods with those far from us in terms of distance and ideology.

We cannot say the quantities were exorbitant, but they did cause us to ask why.

Why, in the midst of an ideological discussion and when communism was "the worst," did Chile continue to trade products and engage in commerce which, even though low in quantity, nevertheless existed?

The minister of foreign relations gives the answer: "We never lost interest because, for the government of President Pinochet, trade was never contaminated politically. We always said we would export and import to any country. That is also why we were against any economic sanction on any nation. An example of this was Panama."

The figures are there. Volume did not amount to much, it is true, but in 1978, Chile exported over $5 million worth of goods to Poland, $2.4 million to Romania, $0.9 million to Czechoslovakia, and $96,000 to the USSR. In 1984, we brought in Russian cameras and watches, sulfuric acid from Cuba, Chinese tea, gauze and dressings, paraffin, velvet, scarves and umbrellas, Hungarian electric lamps and tubes, and milk from Czechoslovakia.

Manuel Casanueva, director of international economic relations and a visitor to the Central European countries a few months ago, tells us that many exports and imports are not recorded in statistics because trade was triangular. In other words, our apples, copper, and fish meal entered the bloc through third countries. "Direct marketing amounted to little. Most went through Europe, but the products were still Chilean. Now that we can make direct contact, things can substantially improve."

This triangulation of our products prevented us from knowing what Chile's opportunities really were, and it was likewise impossible to plan possible future sales or imports.

The question now is: When did Chile develop its real interest in this market? Did it wait for perestroyka or the changes in our country?

"I would say that both sides were interested, but I would emphasize that we were always willing to trade with them. They were the ones who broke off diplomatic relations, not Chile. We began two years ago; now the next government will cut the ribbon," Foreign Minister Errazuriz says.

For his part, the president of the National Chamber of Commerce, Daniel Platovsky, who in June of last year led a Chilean delegation to Poland, Czechoslovakia, Hungary, and East Germany, states that contacts with the region arose out of a concern of the organization he heads at seeing the political and economic evolution taking place in those countries. He adds that those nations' reception was extraordinary and agreements on mutual cooperation were signed with all Chambers of Commerce.

How Do We View Each Other?

Two delegations have visited the enigmatic Europe concealed behind the Wall since World War II. Curiosity about what they are like and how they viewed us is irresistible.

The director of economic relations tells it was very surprising for the delegation that high officials with whom they met had a complete idea of our country. "They knew us because of our economic achievements," he says.

Errazuriz, who had talks in the United Nations with all representatives of Eastern Europe (old name), talks which, to use his expression, were "supergood and positive," adds that Chile was known for both good and bad reasons. "They knew from Radio Moscow and the USSR's propaganda, but they also had knowledge from specialized international organizations such as the International Monetary Fund and the World Bank, where we have a very positive image. They had sources of political information and an objective technique."

According to Platovsky, Chile is the door to Latin America because "it is a country without restrictions, where they can come to buy and sell with no problem whatsoever."

For our part as Chileans, the visit by both delegations, official and private, made it possible to ascertain the characteristics of a new market, one filled with possibilities, and to see with our own eyes what life there is like and what their needs are. "We have learned that each country has a different economic situation, difficult in some, less difficult in others, and the rest very difficult. The GDR is in the best position, along with Czechoslovakia, whose productive capability is quite substantial," the president of the National Chamber of Commerce said.

Casanueva said he personally felt very optimistic because anything we might export can be sold there. "They have a great need for basic consumer goods, whether it be food or other products. One of the first things the Romanian Government did was to buy $100-$150 million worth of consumer goods in order to meet immediate needs."

Not All Alike

The situation we find on those markets apparently cannot be termed "very good" or even "good." Nevertheless, we cannot lump the region together as a single country, inasmuch as each one of them has its own individual features making them enormously different from one another.

According to an analysis by Aninat, Mendez, and Associates, the net material product (measure of growth used in socialist countries, not directly comparable to the GNP) of countries with central planning (Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, Romania, and the Soviet Union) grew 4.1 percent in 1988, an improvement over the 2.6 percent for 1987.

In 1989, that growth was 3.5 percent. But within this figure one can observe major differences between countries, ranging from zero growth in Hungary, 4.5 percent in the USSR, and nearly six percent in Bulgaria.

The study reveals that "the performance of each country over the most recent period reflects differences in the availability of factors of production, how efficiently resources are used, and the objectives of their economic policies, including those linked to reforms carried out in certain economies."

On the level of trade, Errazuriz explained that in Latin America, there is an oversimplification of analysis of countries in Central Europe and the Soviet Union. "They vary greatly from one to the next. What they have in common is their repudiation of communism, but they are distinct nations. When people talk about the market in Central Europe as a single entity, they are mistaken. We must now go through a phase of sophistication in order to learn to distinguish one from the other and market accordingly."

In general, we can say that the economies of Central Europe have serious debt problems at the present time. One example of this is Poland, which, along with Hungary, has had uncontrolled inflation in recent years. Evidence of this can be seen in the scarcity of goods, black markets, the disappearance of essential goods, and speculation and bribery in the distribution of products, among other things.

Given this not-very-encouraging picture, why is it to our advantage to have trade relations with them?

Everybody

To date, our main buyer has been East Germany and the reason is its proximity to its Western brother. In addition, and although it cannot be classified with the "Eastern" Bloc, the People's Republic of China has been a good partner of Chile's. By November of 1989, exports from our country totalled $104 million.

The foreign minister labels it "a special case," inasmuch as there have never been any problems with that country. "China was always a country independent of the Soviet satellites, with an enormous feeling of respect for the autonomy and self-determination of nations, which did not exist in the East European countries under the USSR's plan. Furthermore, it never broke off relations with Chile and tried to maintain them on a good level."

For its part and due to the fact that it was one of the first countries to liberalize trade, Hungary also has substantial trade with Chile. Last year our trade amounted to some $11.6 million, with exports exceeding $10 million.

The smallest buyer in the region is Czechoslovakia, with only $22,000 worth of goods going to that country. Nevertheless, imports yield a figure of $4.9 million, meaning a negative trade balance for Chile of $4.89 million.

We can say, regarding foreign trade, that in recent years the economies of East European countries have encouraged international relations through industrial cooperation, joint ventures, enterprises formed by joint public

and private capital, and free zones. One can also observe a reversal of state monopolies and a trend toward a decentralization of foreign trade, as seen in countries such as Hungary and Poland.

There is also visible interest in joining international organizations and an attempt to improve relations with the European Economic Community. In short, there is a move to turn to the West and change the economy.

'Different' Cases

The Soviet Union and Cuba, particularly Cuba, are a separate case with respect to Chile and the rest of the world in general. With minor exceptions in 1980, 1981, and 1986, Fidel Castro's island imported no products from our country. However, in 1984, 1985, 1987, and 1988, we imported Cuban goods worth $561,000, $2,000, $18,000, and $5,000 respectively.

To use a slang expression, "zilch."

The reaction of the minister of foreign relations: "Fidel Castro still thinks the way he did 30 years ago; he is still a Stalinist. He does not believe in economic freedom or democracy. He believes in centralization and exports revolution. He is now on the fringe and no one pays any attention to him anymore."

Platovsky shares that opinion, noting there is a difference between Cuba and the rest of the countries in the Soviet sphere of influence. "The other nations are opening up, seeking new markets, foreign investment, technology, in an opening to the West. That is not happening with Cuba. It is totally closed and has a difficult economy."

These reasons are enough to convince the president of the Chamber of Commerce that Chilean businessmen have nothing to gain from doing business with Fidel Castro.

Furthermore, the foreign minister says, holding his cigar, "Cuba stole $20 million from us and we have instituted legal proceedings. That $20 million is now $40 million and we could use the money to build housing in Chile. It's our money!"

Errazuriz hopes the next government will be able to get the money back and adds that this fact shows that Cuba is not a responsible trading partner. "In order to establish relations with someone, the first thing I have to do is ask him to return what is mine!"

That problem does not exist with the USSR. "The Soviet Union has not taken a single dollar from Chile," the foreign minister says, then recalls: "But there is something else: I personally negotiated with the USSR in 1978 and paid them everything we owed, down to the last cent. Today we owe nothing to the Soviet Union or to any other East European country. The government has paid everything."

Pros and Cons

Are the countries good, bad, or average? Do they have debts or not? Are these nations open or closed? Do these countries....

It does come down to countries. But in the final analysis, is the change that has occurred in Eastern Europe good for us and Latin America, in general? This market, which apparently presents extraordinary opportunities for Chile as far as getting its products on the shelves in Romania, Poland, or the Soviet Union is concerned, does destabilize the world economy somewhat.

The foreign minister cites three direct consequences for us: The first (positive) has to do with the opening up of a new market making it possible to double our exports to the region. The second involves economic aid and access to the market. In the case of the former, we can say that the countries' budgets are set and that as a result, what they have available for foreign aid is also. With the appearance of new countries requiring aid, such monies will have to be redistributed and, according to a SELA [Latin American Economic System] report, Latin America will be somewhat forgotten. "Here in Chile there are great expectations that the new government will have a large amount of economic aid, but that aid will obviously be less than when the CPPD [Coalition of Parties for Democracy] began to imagine it might take power. This is especially true in the case of the Federal Republic of Germany, which is a great donor now concerned about its neighbors," the minister says.

As far as access to the market is concerned, the problem is one of quotas, now a burning issue for our country as relates to textiles. The explanation concentrates on the fact that restrictions now govern products from Chile as well as other EEC countries, but to date, no quotas have ever been assigned to Poland, for example, inasmuch as it was not a trading partner. The minute it is, it will be assigned a number for exporting, meaning that quotas will have to be redistributed and those of other nations, including Chile, lowered.

The third effect would be investment and financing. An example will best explain this case: Simet [expansion unknown] intended to invest in Chile, but despite the fact it did not discard the idea, it now gives priority to the European countries of which we have spoken so much in this article. The same is true of European banks.

In the final analysis, we are looking at a new world that does present drawbacks for which we must compensate by increasing trade within its borders.

The "East" can mean good business, as both authorities and private officials have seen. The mission this year will be the Soviet Union. A group is due in April to observe Chilean expectations, and in June we shall respond in kind. Fairs in Poland, Hungary, and Germany await us with open arms.

The "Made in Chile" label will apparently be welcome in large quantities in the European households that brought down the Wall on 9 November.

Colombia

UP's Presidential Candidate Killed in Bogota

Jaramillo's Death Blamed on Government

PA2203154390 Hamburg DPA in Spanish 1518 GMT 22 Mar 90

[Text] Bogota, 22 Mar (DPA)—Bernardo Jaramillo Ossa, presidential candidate for the leftist Patriotic Union (UP), died today of serious wounds suffered during an attack at the Bogota Airport, UP spokesmen reported.

Jaramillo, one of the most threatened people in the country, was attacked by a mercenary who approached the political leader as he was about to board a plane heading for the Atlantic Coast.

UP members, who grieved in front of the clinic where the candidate died, accused the government of President Virgilio Barco Vargas for the murder.

UP Withdraws From Elections

PA2203172490 Paris AFP in Spanish 1659 GMT 22 Mar 90

[Text] Bogota, 22 Mar (AFP)—The leftist Patriotic Union, whose presidential candidate Bernardo Jaramillo was assassinated today, has announced its withdrawal from the 27 May presidential elections in which the successor of Liberal President Virgilio Barco will be elected.

In a communique issued by the UP Directorate, that political organization states that in view of Jaramillo's "assassination," the UP is suspending its participation in the presidential political campaign and calling a 48-hour national labor strike on a date which has not yet been determined.

UP Directorate 'Demands' Minister's Dismissal

PA2203165590 Madrid EFE in Spanish 1615 GMT 22 Mar 90

[Text] Bogota, 22 Mar (EFE)—The National Directorate of Colombia's leftist Patriotic Union (UP) has demanded the immediate dismissal of Government Minister Carlos Lemos, charging that the attack, in which UP presidential candidate Bernardo Jaramillo was killed today, was the direct result of recent statements made by the minister.

Bernardo Jaramillo, 35, was mortally wounded at 0803 (1302 GMT) today. He was shot four times, twice in the stomach and twice in the chest, by an assassin who fired at him from the pedestrian overpass at Eldorado Airport in Bogota.

Some 48 hours ago, Government Minister Carlos Lemos Simmonds accused the UP of being accomplices of the communist Revolutionary Armed Forces of Colombia (FARC).

Jaramillo and other UP leaders said on 21 March that the minister's statements constituted a death sentence for UP leaders.

The UP added that no one in the nation's government takes responsibility for those crimes, and that, therefore, impunity is rampant.

UP President Diego Montana Cuellar said that the government minister's irresponsible statements have already rendered its first results.

Our friend Bernardo Jaramillo has just passed away, Angelino Garzon, leader of the Sole Central Organization of Workers (CUT) and of the UP announced today at 1005 (1505 GMT) at the entrance to the police hospital, where hundreds of angry UP militants had gathered.

Carlos Romero, another UP national leader said that the UP will continue struggling.

Since it was founded in 1984, more than 1,000 UP leaders and militants have been killed, among them Jaime Pardo Leal, its founder and first president, who was murdered on 11 October 1987.

Jaramillo was Jaime Pardo Leal's successor until 1989, when he was selected as presidential candidate and Diego Montana was chosen to replace him.

During a shootout with the UP presidential candidate's escorts, the assailant, 21-year-old Jairo Alberto Restrepo Posada, from Carolina, (Antioquia Department) was wounded. He received six bullet wounds in the right leg and arm, but is expected to live.

Restrepo is under arrest at a clinic. The weapon used in the attack, a Mini-Ingram submachine gun of 3.8 caliber was recovered by the police.

During the shooting, a woman named Beatriz Baquero Silva was also wounded, but survived because the bullet that hit her in the chest deflected off one of the buttons on her clothes, one of her relatives reported.

When Jaramillo collapsed, after four bullets had hit him, his wife, Mariela Barragan, shielded him with her body. Thus far, the government has not issued any official statement.

Communists, UP Seize Church

PA2303014790 Bogota Radio Cadena Nacional in Spanish 0029 GMT 23 Mar 90

[Text] Cali—A group of Communist Youth and Patriotic Union members seized La Hermit Church a few minutes ago. The demands made by these persons to leave the church include Government Minister Carlos Lemos Simmonds' resignation.

Lemos Will Not Resign

PA2203193690 Bogota Radio Cadena Nacional in Spanish 1715 GMT 22 Mar 90

[Report by Jairo Tarazosa from the Government Ministry]

[Text] Government Minister Carlos Lemos Simmonds has just deplored and condemned the murder of Bernardo Jaramillo Ossa and has said that he will not resign willingly, or by force, because he is not responsible for that murder.

Minister Lemos read a communique first and then made a statement to the press.

[Begin recording] [Lemos] The government minister deplores the attack against Bernardo Jaramillo Ossa, presidential candidate for the Patriotic Union, strongly condemns it and regrets his tragic death.

This incident, which brings mourning to Colombian democracy, was clearly carried out by those who seek to destabilize our democratic system and lead the country into chaos through the well known procedure of murdering those who, like Bernardo Jaramillo Ossa, become leaders and spokesmen of their respective political movements.

The government gave Jaramillo Ossa the best protection the state could give him, which was evidenced by the quick reaction of his escorts at the time of the attack. Although regrettably the criminal action could not be stopped, one of the murderers was arrested; his statement will be invaluable in identifying the authors of such execrable crime.

The Government Ministry realizes the deep sorrow that this brings to Jaramillo Ossa's family, to the UP members, and to the country in general, and shares the same feeling. However, it calls for serenity and good sense in order to prevent those who, through Jaramillo Ossa's murder, want to disrupt order and create serious problems from carrying out their plans.

[Reporter] Your resignation is being demanded. What can you tell the nation about this?

[Lemos] I see no reason why I should resign because I am not responsible for this incident. On the contrary, I am the first one to deplore it, not only as a Colombian and a democrat, but as a member of the government, because I realize how serious this is for the development of the current electoral debate, and, in general, for the country's democratic life. However, since I am not responsible and I do not feel guilty about anything, I will continue in my post so that political activities may continue normally in the future, despite this sad and regrettable incident.

[Reporter] The UP has indirectly blamed you for Bernardo Jaramillo's murder, and, therefore, has asked you to resign. What do you have to say?

[Lemos] This is not the first time a presidential candidate has been murdered. Before I became minister, other similar incidents had occurred, all of which were very regrettable. Therefore, I feel that making groundless statements is misleading for the investigations and could lead to a situation that is detrimental regarding clarifying the incident. Fortunately, as I said in my communique, one of the murderers was arrested and is now in the custody of the judges and police. We will wait to hear what this individual says. I think that his statement will lead to the identification of Jaramillo Ossa's murderers and will also help us determine the ties between the perpetrators and masterminds of this terrible incident and similar cases that, as I said, regrettably have occurred in our national life during the past few years.

[Reporter] A couple of days ago you made a statement in the sense that the UP was linked to the FARC. Today, the UP says that Jaramillo was murdered as a result of that statement. Do you think that your statement had anything to do with it?

[Lemos] I do not think that my statement had anything to do with the incident. However, I do feel that the coincidence—the fact that it occurred immediately after my statement—is very serious. Of course, I believe this is not the right time to refer to this case [words indistinct] this regrettable incident. I think that we should try to find out who is interested in creating a conflict that could lead to serious disorder. As I said in the communique I just read, I hope we can prevent this, so that democracy can continue on its path, and so that everything for which Jaramillo Ossa struggled as presidential candidate will not perish on account of disorders.

[Reporter] Jaramillo Ossa has said that for the past four years he had asked the government for protection, that his life was in danger, and that he held the government directly responsible for whatever happened to him. That is what Jaramillo Ossa said.

[Lemos] Did you say for the past four years?

[Reporter] That is what Jaramillo Ossa said, that the government was responsible for his safety during the past four years. He also said that whatever happened from then on would also be blamed on your statement, and that the best service you could give the country would be to resign.

[Lemos] I already replied to a question about my resignation. I cannot resign because I am not guilty. By

resigning I would be admitting my guilt to something I had nothing to do with. However, I am glad that you mentioned that this has been occurring for the past four years. I was a journalist four years ago.

[Reporter] [Words indistinct] made a mistake a few days ago by again linking the UP with the FARC?

[Lemos] I prefer not to discuss this topic now. I do not think that this is the best time to discuss that subject.

After this situation has settled, I will have to file a formal statement at the Attorney General's Office where I have been (?summoned) by the UP. As a government official, I am obliged to appear before the Attorney General's Office to explain my actions, but now is not the moment to explain anything.

[Reporter] [Question indistinct].

[Lemos] Of course, the president is very distressed, as we all are. We believe this is a terrible; there is no justification for something like this to happen. It is evident that people who are seeking a goal opposite to that of the government are involved in this. The government wants a free electoral process; it is committed to that.

Today, when we have a completely orderly electoral process, it would be absurd, illogical, irrational, and senseless for the government to promote actions that run counter to its goal of ensuring that its term ends in peace and that the elections will take place normally.

[Reporter] The UP has again (?cast doubt over) the government's guarantees for the candidates and the party.

[Lemos] I believe that the government has done everything humanly possible to guarantee the safety of candidates, not only the safety of UP members, but of all presidential candidates, regardless of their affiliation.

[Words indistinct] in their communique, evidence of the fact that Dr. Jaramillo's bodyguards reacted and, I understand, by killing one of the assassins, at least that is what I have heard, and arrested another one, which has been confirmed, shows that the government is indeed offering protection.

Therefore, Dr. Jaramillo was indeed enjoying government protection just as the other presidential candidates are. What happens is that the assassins carry out surprise attacks. At a given moment, an approaching person can can pull out a weapon and kill whomever he wants. There is no 100-percent prevention against this. This holds true not only in Colombia but in many countries in the world. The very course of these terrible events of this morning at the aiport show that Dr. Jaramillo was indeed protected.

[Reporter] The UP has just announced that it will file suit against you for this assassination.

[Lemos] That is fine. If the UP has any evidence that I am involved in Dr. Jaramillo's assassination, then it must file suit, because otherwise, it would be acting as an accomplice to this assassination. I believe that suits must be filed by those who suspect that a government official, and myself particularly, may be involved in the assassination, to ensure that the incident is investigated. Therefore, I believe that this is good news amid a sea of bad news that we have heard today.

[Reporter] [Words indistinct] only responsibility for physical safety, but there is also political responsibility. You are being accused of political irresponsibility and of not responsibile for physical safety.

[Lemos] Why political irresponsibility?

[Reporter] Because the UP believes that you are in a certain way to blame.

[Lemos] I believe that there is an extremely incredible coincidence here that deserves an investigation, because the incident took place after I made those statements; those statements have nothing to do with it.

[Reporter] Mr. Minister, you say that you are not to blame and will not resign, but the public order situation has been altered in the country. You will surely be forced to resign [words indistinct]?

[Lemos] I do not believe anyone will be forced to resign. I do understand why a minister should resign if there are disturbances, and I hope there are none. That would be tantamount to saying that the government minister, when former UP leader Dr. Pardo Leal was assassinated, should have resigned. That did not happen. Furthermore, the responsibility for public order, in the case of Bogota and other cities, is shared among the mayors.

[Reporter] The UP is demanding your removal. Liberal and conservative candidates have already issued statements [words indistinct]?

[Lemos] [Words indistinct] and until they state what they want cannot make a judgment about that.

[Reporter] [Question indistinct]

[Lemos] I would lament it if there is a withdrawal. I hope this will not occur. What one must do at this moment is not allow the success of those who, with assassinations and crimes such as this one, are trying to disrupt the electoral process which the government wants to carry out. There is an attempt to cause problems in the the electoral process, which is the expression of the people's will. It would be absurd if those who have that objective were allowed to be successful as a result of actions such as those today. I am not anyone to give advice to any political movement or party, but I do think that the worse thing would be to stop the struggle waged so brilliantly for so long by Dr. Jaramillo Ossa, whose death I deeply deplore.

[Reporter] Are you planning to take security measures such as prohibiting the sale of liquor [words indistinct]?

[Lemos] That is not up to the government minister. The mayors are responsible for public order in each city. In the case of Bogota, the mayor of Bogota would have to prohibit the sale of liquor. The mayors of Cali and Medellin would also be responsible for issuing such an order. The Government Ministry does not make decisions for the cities. That is up to the mayors of each municipality. They will make such a decision based on their particular situation and the central government will support them if they take such measures, because they are doing so to prevent the outbreak of disturbances or disorders. [end recording]

Those were the remarks by Government Minister Carlos Lemos Simmonds who has stated that he will not resign and who has deplored the death of Jaramillo Ossa. He said he is not responsible for it and he will not resign either willingly or because of pressure. The government minister is at this time going to Narino Palace where he will attend the Security Council meeting convened in the wake of the assassination of UP presidential candidate Bernardo Jaramillo Ossa.

Security Council Meeting Called; Unrest Reported

PA2203163390 Bogota Radio Cadena Nacional in Spanish 1610 GMT 22 Mar 90

[Text] The Colombian Teachers Federation, Fecode, has just announced it will hold a nationwide 48-hour strike to protest the assassination of Bernardo Jaramillo Ossa, presidential candidate of the Patriotic Union [UP].

The UP coordinating board in Uraba has also ordered that a strike be held in that region.

The National Security Council will be meeting at the Narino Palace in Bogota in approximately 20 minutes. It will be chaired by President Virgilio Barco.

Protests and disorder have been reported in some areas of Bogota. A bus was set on fire near the UP headquarters. There have also protests at the National University and near the Central Police Hospital where Jaramillo Ossa was taken and died.

Uraba Paralyzed After Assassination

PA2203220590 Bogota Radio Cadena Nacional in Spanish 1838 GMT 22 Mar 90

[Report by Jose Eusebio Medina]

[Text] All labor and commercial activities in Uraba have been paralyzed since Bernardo Jaramillo Ossa, Patriotic Union presidential candidate and senator-elect for Antioquia, was assassinated. The UP Regional Coordinator Board in Uraba has announced that the protest movement throughout the region will last 48 hours. A symbolic burial ceremony will take place in Apartado, where the assassinated political leader served as adviser to banana workers, at 1400 tomorrow.

In addition, the Antioquia governor, through the government secretary, has deeply regretted the assassination of Jaramillo, who was considered an upright, honest, and democratic man who worked tirelessly for the country's pacification. Antioquia Government Secretary Francisco Zuloaga Tobon has reported that the department is calm, particularly in the northwest and Uraba, where the UP has its largest number of supporters. The Antioquia authorities, however, have placed themselves on a state of alert in the event of possible public uprisings in the city. Mayor Juan Gomez Martinez has reported that, if necessary, he will convene a special meeting of the security council, which will analyze the situation and take the necessary measures to preserve public order in this capital.

Troops Confined to Barracks

PA2203232090 Bogota Radio Cadena Nacional in Spanish 2153 GMT 22 Mar 90

[Report by Eduardo Carrillo]

[Text] Radio Cadena Nacional has learned that Defense Minister General Oscar Botero Restrepo has ordered the indefinite confinement of National Police and military forces to their barracks. They are to stay there until it is clear that the public order situation, resulting from the assassination of Bernardo Jaramillo Ossa, Patriotic Union presidential candidate, is under control.

Meanwhile, a National Security Council meeting is taking place at the Narino Presidential Palace. The participants are discussing the incidents that disrupted the daily lives of all Colombians today when a terrorist killed UP President Bernardo Jaramillo at the El Dorado International Airport.

We have also learned that President Virgilio Barco and Government Minister Carlos Lemos Simmonds have been in constant contact with the police authorities and the Administrative Department of Security, DAS, in an effort to learn all the details following the attack on Jaramillo. [Passage indistinct] the offices of the DAS.

To avoid confusing reports and misinterpretations, all reports have been released through through the Government Ministry, which is headed by Dr. Carlos Lemos Simmonds.

Dry Law Instituted

PA2303022390 Bogota Radio Cadena Nacional in Spanish 0023 GMT 23 Mar 90

[Text] Bogota—Tension prevailed this evening in the capital after the body of Patriotic Union candidate Bernardo Jaramillo Ossa was transferred to the Oval Room in the National Congress, where he will lie in state until his funeral on 24 March.

Bogota Mayor Andres Pastrana Arango decreed a dry law [ley seca—law to restrict sale of liqour] at noon, and suspended classes in private and public elementary and high schools for tomorrow, 23 March.

The president attended a security council meeting at Natino Palace and the military commanders talked with journalists when leaving the premises. Defense Minister Oscar Botero said that the Medellin Cartel planned and carried out the assassination upon instructions from Pablo Escobar Gaviria, who made a down payment of 300,000 pesos to Andres Arturo Gutierrez, the assassin hired to perpetrate the crime.

The assassin, a 16-year-old youth, is recovering from his wounds and, in a preliminary declaration to the authorities, he confirmed who ordered the assassination.

Moreover, DAS [Administrative Department of Security] Detective Edison Sanchez Mendieta, who was wounded this morning at the airport terminal, was released this afternoon.

Referring to the way in which the weapon was smuggled into the airport, the authorities said that this issue is being thoroughly investigated by security organizations—because it could have been assembled inside the premises or smuggled in with the complicity of a maintenance worker.

Riots, clashes, and the burning of tires and five buses was reported in several higher education centers of Bogota, such as the Free University, the Pedagogical University, the National University; and in neighborhoods such as Policarpa Salavarrieta, Garces Navas, and Soacha. These actions resulted in the wounding of a policeman, whose condition is still critical.

Teachers who are members of Fecode [Colombian Federation of Educators] have ordered a two-day strike starting tomorrow. Banana farm workers in Uraba, where the assassinated leader worked as a labor lawyer, reacted similarly.

Transportation activities have noticeably decreased in the capital since the mayor urged the citizenry to go home early in the evening.

The assassinated candidate's body is currently lying in state in the Oval Room of the National Congress.

One Dead, 120 Arrested in Uprisings

PA2303125990 Bogota Radio Cadena Nacional in Spanish 1220 GMT 23 Mar 90

[Text] Bogota—According to a Bogota Metropolitan Police provisional report, public order disturbances, resulting from the murder of Patriotic Union candidate Bernardo Jaramillo Ossa, have resulted in the death of one 10th Infantry Brigade soldier, the injuring of two policemen, the arrest of over 120 people, and the destruction of five public buses. Official spokesmen of the Metropolitan Police have told this radio station that during disturbances in the Policarpa neighborhood, 10th Infantry Brigade soldier Arturo Bernal was shot to death.

Meanwhile, policemen Gabriel Horacio Garay and Henry Moreno Ramirez were injured in other sectors of Bogota. The policemen, who had various injuries, were taken to a police hospital.

Also, during clashes at Policarpa, Boza, and (Izu) neighborhoods and downtown Bogota, five public buses were burned causing losses estimated in the millions.

The police spokesmen also told this radio station that at least 120 people were detained during the night and early this morning during the various disturbances.

However, the spokesmen stated, the public order situation is under control in the Special District area, where strict security measures, a dry law, school closures, the confinement of troops to their barracks, and other measures have been adopted.

Medellin Cartel Accused of Jaramillo Killing

PA2303015590 Bogota Radio Cadena Nacional in Spanish 0013 GMT 23 Mar 90

[Text] Bogota—Defense Minister General Oscar Botero Restrepo disclosed this afternoon that Medellin cartel boss Pablo Escobar Gaviria ordered the assassination of Bernardo Jaramillo Ossa, presidential candidate of Patriotic Union, UP.

Botero said that initial investigations have revealed that Escobar Gaviria planned and ordered the attack on Jaramillo Ossa. Gen. Botero told reporters that the Medellin Cartel contracted the services of an organization of hired assassins and sent them to Bogota to assassinate the UP leader.

He added that Escobar Gaviria ordered the delivery of an initial sum of 300,000 pesos to a third person after the crime was committed at El Dorado Airport's pedestrian overpass in Bogota.

The defense minister said that minutes after the killing the DAS Intelligence Service intercepted an Escobar Gaviria conversation in Medellin. He was ordering his accomplices to pay 300,000 pesos to a third person linked to the paid assassin who killed the UP leader.

Botero also disclosed that the assassin is a 16-year-old youth who carried a false identification card under the name of Jairo Alberto Restrepo Posada.

Meanwhile, anonymous calls were received by various Bogota media today. The callers were attributing the attack on UP leader Jaramillo Ossa to a so-called Gonzalo Rodriguez Gacha Commando Group. In these calls, it was said that the Medellin cartel decided to resume the war because for five months it offered to negotiate with the Virgilio Barco Vargas government, and the only response it received was to urge cartel members to turn themselves in to justice.

In addition, threats were made against other Colombian political figures such as Liberal Party candidate Cesar Gaviria Trujillo. The callers said that the Extraditables released kidnapped people, delivered laboratories, and large quantities of dynamite as proof of their intention to talk, but they never received a reply from the government.

The callers said: We are going to turn ourselves in, but we will be dead when we do so. However, before this happens, they said, the country will see the bodies of its leaders, just as in the case of Jaramillo Ossa.

New Crimes Reportedly Planned

PA2303013790 Bogota Radio Cadena Nacional in Spanish 0028 GMT 23 Mar 90

[Text] Bogota—The director of the Administrative Department of Security, General Miguel Alfredo Maza Marquez, announced today that the Medellin Cartel has plans for new criminal actions that would bring mourning to the country and create chaos. He bases his statement on the preliminary confession made to the authorities by Andres Arturo Gutierrez, who perpetrated the attack on Patriotic Union presidential candidate Bernardo Jaramillo Ossa.

According to the DAS director, the young assassin—who is currently in a first-aid center recovering from six bullet wounds received during the criminal episode—is a key witness in the investigation to solve the murder and unmask the plot's instigators.

Defense Minister Presents Report on Killing

PA2303023990 Bogota Radio Cadena Nacional in Spanish 0020 GMT 23 Mar 90

[Report presented by Defense Minister General Oscar Botero Restrepo to the National Security Council on behalf of the State Security Organizations at Narino Palace in Bogota on 22 March]

[Text] Report from the state security organizations to the National Security Council:

1. Situation:

a. Today, Dr. Bernardo Jaramillo Ossa, UP presidential candidate and senator elected from the Antioquia electoral district, became the victim of an attack at 0805 as he was entering the pedestrian overpass at Bogota's El Dorado Airport where he was to board a plane for Santa Marta. He died at the Police Clinic at 1000.

b. The attack was carried out by an undetermined number of paid assassins who included Andres Arturo Gutierez, who fired a mini-Ingram submachine gun at the victim. Jaramillo's bodyguards reacted immediately, firing at the assassin who was wounded and captured during the attack. He was then taken to the Pontibon Police Station.

c. Andres Arturo Gutierrez is from Medellin, Antioquia. He carried a false identification card in the name of Jairo Alberto Restrepo Posada. DAS [Administrative Department of Security] files have records on Restrepo Posada. He is reported to be a member of the FARC [Revolutionary Armed Forces of Colombia] 13th Squad who was captured during a raid in San Agustin, Huila Department, on 13 February 1985 when the authorities seized 22 shotguns of various gauges.

d. DAS files also show that there is an arrest warrant out for Restrepo Posada issued by Bogota's Criminal Court No. 41. He was accused of theft in Proceeding No. 291 of Document No. 206 of 17 February 1983.

2. Conclusions and Projections:

a. The state security organizations have established for a fact that the attack was ordered by drug trafficker Pablo Escobar Gaviria as indicated by reports obtained early today during the first stage of the investigation.

b. The technical intelligence section also has evidence to prove this. It must be noted that at least four individuals participated in the crime and that it was planned and perfected in Medellin. The paid assassins left from that city to carry out the attack on the UP leader in Bogota.

c. Later, the paid assassin also said that he received 300,000 [currency not indicated] as an advance to kill Jaramillo Ossa. This is a sum that was mentioned in a dialogue monitored by the electronic media this morning. In this conversation, Escobar ordered his interlocutor to deliver this sum to a third person.

d. This new attack again shows the Medellin Cartel's destabilization plans, plans that undoubtedly negate an alleged willingness to surrender, a willingness expressed by cartel leaders.

e. Another aspect that must be stressed is the use of paid assassins with a marked suicidal mentality, which imprints a greater danger on this recurrent modality of drug trafficking actions.

Details of Jaramillo's Security Revealed

PA2303024690 Bogota Radio Cadena Nacional in Spanish 0025 GMT 23 Mar 90

[Text] Bogota—Presidential candidate Bernardo Jaramillo Ossa—who was assassinated today at the airport terminal in the capital—had 15 DAS [Administrative Department of Security], National Police, and UP [Patriotic Union] bodyguards, as well as three automobiles at his disposal.

His personal security was coordinated by 11 DAS agents, two police officers, and two UP members, who could do nothing in response to the unexpected attack unleashed at the airport terminal's lounge.

Likewise, Jaramillo Ossa had three automobiles for his transportation around Bogota. One of them was an

armored vehicle, in which he travelled accompanied by one of the bodyguards assigned by the UP directorate.

People close to the men in charge of his security told Radio Cadena Nacional that Jaramillo Ossa was scheduled to travel to Santa Marta with three DAS agents and two UP bodyguards, who yesterday purchased two tickets in addition to the presidential candidate's ticket.

Likewise, members of his personal security had recently been alerted about the possibility of an attack with firearms—which was reportedly being planned by unidentified persons.

Jaramillo Ossa was accompanied by his entire security team at the time of the attack at the airport terminal, but they could do nothing to foil the firearm attack perpetrated by a youth, barely 16 years old.

Likewise, it has been revealed that the bulletproof vest provided to the presidential candidate was sporadically used because the sacrificed political leader considered the threats against his life to have ended with the death of Jose Gonzalo Rodriguez Gacha. Also, his wife, Mariela de Jaramillo, told Radio Cadena Nacional that he had a spinal deviation and the vest bothered him.

Political Figures Express Outrage, Regret

Barco Letter to UP President

PA2303032290 Bogota Radio Cadena Nacional in Spanish 0018 GMT 23 Mar 90

["Text" of letter sent by President Virgilio Barco to Patriotic Union, UP, President Diego Montana Cuellar on 22 March]

[Text] Dear Dr. Montana Cuellar:

Through you, I wish to transmit my condolences to the family of Dr. Bernardo Jaramillo Ossa, his followers, and fellow party members. The despicable attack that resulted in his death seeks not only to deal a death blow to the UP, but to undermine the democratic and pluralist nature of our political system. Because of this, the criminal action must be understood as an acceptable challenge to all Colombian democrats.

UP leader Jaramillo always distinguished himself by his democratic convictions and his commitment to defending the institutions. In his constant struggle, he always showed that he was deeply familiar with the national reality and that he had an undeniable vocation to serve the less favored classes. During his democratic struggle, Dr. Jaramillo was a worthy representative of Colombians willing to put their ideals before any personal consideration.

The attack against Jaramillo is also an insult against the fundamental principles of democracy. Like all Colombians who want peace and reject terrorism, I hereby condemn this vile, criminal action. I flatly reject and regard as unacceptable the accusations of alleged ties between the UP and terrorist activities. There are no grounds at all to attribute any responsibility to your party for the violent acts of terrorism that some guerrilla groups have perpetrated recently.

Once again, I wish to highlight the UP's importance as a political party and its participation in the democratic process, the reinforcement of the institutions, and the strengthening of Latin American cooperation and integration. At a time of new paths to perfect Colombian democratic institutions, the enemies of harmony try through violence to plant hopelessness and strike against our democracy. Those who attacked Jaramillo are attempting to weaken the pluralist expression of our democracy.

I hereby appeal to you and your fellow party members to meet with calmness this provocation by those who are violent. We should not abandon our determination to seek peaceful coexistence by democratic means. United we must keep fighting terrorism, which is trying to destroy the free expression of ideas and the tolerance peculiar to a de jure state. The best way to honor the memory of the victims of violence is to keep living, with vigor and calmness, the freedom that the enemies of democracy want to destroy. As I told you over the telephone this morning, I deeply regret the attack against Dr. Jaramillo, the UP presidential candidate. In this hour of grief, I am expressing to your family, your wife Marina de Jaramillo, your children, and all of your followers and fellow party members the most heartfelt condolences of the entire country. In view of this offense by those who are violent, I invite you to join our efforts to defend democracy and public liberties.

Yours truly,

[Signed] Virgilio Barco Vargas.

Social Conservative Leader

PA2203194390 Bogota Radio Cadena Nacional in Spanish 1612 GMT 22 Mar 90

[Text] In a communique issued a few minutes ago, Dr. Rodrigo Lloreda Caicedo, Social Conservative Party presidential candidate, strongly condemned the assassination of UP leader Bernardo Jaramillo Ossa. The communique says that this incident shows the social decay the country is enduring, the country's inability to protect the lives of citizens, and the fact Colombian society is totally defenseless. Rodrigo Lloreda Caicedo maintains that the deceased UP presidential candidate tried to free his party from radical positions and that his assassination is a serious setback for the policy aiming at incorporating insurgent groups to civilian life.

In the communique, Lloreda Caicedo urged Colombian people to build, in solidarity, a future without violence, without sectarianism, and with a government that broadly and generously reflects the decision to build a fatherland in which all Colombians can live in peace.

Liberal Leader Cesar Turbay

PA2203173290 Madrid EFE in Spanish 1646 GMT 22 Mar 90

[Text] Bogota, 22 Mar (EFE)—The leader of the governing Liberal Party of Colombia, former president Julio Cesar Turbay, said today that the murder of Bernardo Jaramillo Ossa, presidential candidate for the leftist Patriotic Union, is a miserable tragedy.

"We feel this loss as our own," said Turbay when he offered his public condolences to the relatives of the leftist presidential candidate and to the UP. Meanwhile, disturbances broke out in front of the hospital where Jaramillo had been taken.

Liberal Party Presidential Candidate

PA2203215790 Bogota Radio Cadena Nacional in Spanish 1858 GMT 22 Mar 90

[Text] Cesar Gaviria Trujillo, presidential candidate of the Liberal Party, has deplored the murder of the Patriotic Union presidential candidate.

[Begin recording] [Gaviria Trujillo] I deplore the murder of Bernardo Jaramillo, the UP presidential candidate. It reflects the seriousness of the crisis our society is experiencing and how criminal organizations continue to [words indistinct] Colombian society. All Colombians should commit themselves in the struggle against violence and against justifying violence and launch more effective action by our legal system so that such actions will not continue to take place in our society.

[Reporter] What can we Colombians do in the face of such actions?

[Gaviria Trujillo] We must exert great effort to change our institutions, giving greater strength to our legal system, so that the crimes that have been taking place for so many years do not continue. These crimes have gone unpunished. All Colombians must recover faith in renewed institutions, in institutions that will merit respect and promote abidance of the law. [end recording]

PSC's Presidential Candidate

PA2303000890 Bogota Radio Cadena Nacional in Spanish 1749 GMT 22 Mar 90

[Telephone interview with Social Conservative Party, PSC, presidential candidate Rodrigo Lloreda Caicedo by unidentified reporter in Bogota—live]

[Text] [Reporter] We are now in contact with the PSC presidential candidate, the man who will represent the social conservatives in the 27 May elections. Senator Rodrigo Lloreda, what is your opinion of calls for the government minister's [Lemos Simmonds] resignation?

[Lloreda] Juan, I think they can be explained. A conceptual confrontation occurred a few hours ago between the government minister and Patriotic Union leaders on the issue of guarantees and, naturally, it is the first reaction after a shocking and painful event like Bernardo Jaramillo's assassination. It is the political group's way of saying that they do not believe Minister Carlos Lemos Simmonds offers the necessary guarantees for its members.

I do not want to intervene in the discussion of this topic for several reasons. First, I respect the presidential authority and I know that the president—not his advisers, who are part of the government's cabinet—is the one who must adopt a decision that can only be made by the chief of the executive branch. He has to decide how he can maintain public peace and consolidate order during an emergency like this with a controversial figure that has been criticized precisely by the group that was affected by the sad event that occurred this morning. Second, I believe that this is a situation that specifically and directly affects the UP and, therefore, it is that party that should comment on the controversy about the government minister's case.

[Reporter] Dr. Lloreda Caicedo, is it true that you have decided to suspend your political campaign activities this weekend?

[Lloreda] Yes. First I made a statement condemning Bernardo Jaramillo's assassination and expressing the solidarity that all the Colombian people feel for his relatives and the activists of his political party. A short time ago I decided to suspend the activities that I had scheduled in San Gil and Barrancabermeja, Santander Department, and in Puerto Colombia and Sabanalarga, Atlantico Department. The events have been postponed as an expression of solidarity and in homage of Dr. Bernardo Jaramillo; the man was my comrade in the political struggle and my opponent in the race for the Presidency of the Republic.

[Reporter] Amid all the confusion and alarm today that prevails throughout the country, what would Dr. Lloreda do to restore public tranquility? What is the immediate and most urgent thing to do?

[Lloreda] Juan, I believe that security is no longer an academic issue; it has become an anguished need for Colombia. This will probably mean that we will have to make many sacrifices if we hope to put a stop to violence within a few years. In fact, we will have to sacrifice some of the broad and generous freedom we have always enjoyed in this country. Given these deplorable actions, the security issue has become a priority, because one cannot live in a society in which its members are continuously threatened. This not only refers to Dr. Jaramillo Ossa's death, but also to other deaths that sometimes do not appear where they should, meaning the front page of the newspapers.

A week or two ago the police said that we have had an average of 54 violent deaths per day so far this year. If this continues, we will have more than 12,000 murders in Colombia by the time President Barco turns over power on 7 August. I believe, and I think you share the

same viewpoint, that we have a world record for insecurity and violence. Therefore, we cannot take the risk of allowing the process of moral collapse and the state of insecurity that prevails in the country to continue.

We must strengthen the state so that it can successfully counter violence. The plebiscite and the constituent assembly I have been proposing includes the need for the state to have efficient instruments to counter violent actions. This is not, like I said in the beginning, an academic issue, and it is not a proposal presented by idealistic youths. It is the expression of a nation that could disappear or lose its freedoms and democracy if we do not act decisively and resolutely. This is not a problem between political parties.

Yesterday I presented my government platform and I issued a proposal to Dr. [Cesar] Gaviria—regardless of the 27 May electoral results, we must reach a patriotic agreement. We can now do it in homage to Bernardo Jaramillo so that the idea of a plebiscite is sponsored. Thus, we will be able to make a thorough institutional reorganization. We must sit down and think about Colombia, rather than electoral leaders and organizations. This is the only way we can offer solutions to future generations, because the Colombian people are now looking to their future with uncertainty and fear.

[Reporter] Thank you, Dr. Lloreda, you are very kind.

[Lloreda] Thank you.

M-19 Urges National Agreement for Elections

PA2203185990 Bogota Radio Cadena Nacional in Spanish 1801 GMT 22 Mar 90

[Text] A few minutes ago the M-19 [19 April Movement] issued a document urging all candidates to the presidency of the republic to reach a concerted emergency agreement that will help to foster peace and a favorable atmosphere for the 27 May elections. The document reads:

Faced with the assassination of Bernardo Jaramillo, the entire M-19—all of its leaders and militants—express solidarity with the UP [Patriotic Union]. In the person of Bernardo Jaramillo all of us are being assassinated. A young life has been taken; the blood of renewal and democracy has been shed.

All of us say that we love our fatherland and its people. All of us are struggling for the country's future. All of us know that peace is the only path. But unless we fill this path with profound solidarity, commitment, respect, and national unity, the contributions that we make and the goals that we seek will not result in anything else but further frustration.

It is not enough to express indignation, or to deplore, declare, or condemn. It is time for a profound commitment and far-reaching action. Participating in the elections will only make sense if it will bring us a peace that fosters life instead of a peace that is wounded daily.

We cannot continue to live in a fatherland in which each person views things from the perspective of his own home or his own votes. We call on the candidates and leaders of the political parties to hold an urgent meeting to reach an emergency national agreement that will safeguard peace.

Ecuador

Bomb Destroys Radio Station, Newspaper Offices

PA2203162890 Madrid EFE in Spanish 1445 GMT 22 Mar 90

[Text] Quito, 22 Mar (EFE)—The police have reported that a powerful bomb partially destroyed a building in Quito today where the Carrousel radio station and the LA HORA evening paper have their offices.

The bomb was set off at approximately 0100 (0600 GMT). No casualties occurred despite extensive property damage which included destroyed radio broadcasting equipment, crumbled walls and broken windows.

According to journalist Jimmy Jairala, the attack could be linked to reports, disseminated by the radio and paper, of alleged illegal rice imports from Vietnam.

The building where the radio station and the evening paper are located is in a residential zone in the north-central sector of Quito.

So far, no group has claimed credit for the attack that has been repudiated by other local media. Other radio stations and newspapers have demanded that President Rodrigo Borja's administration begin an exhaustive investigation.

Paraguay

Government Formally Recognizes Endara Government

PY2303115890 Asuncion EL DIARIO in Spanish 22 Mar 90 p 12

[Excerpt] Yesterday the Paraguayan Government recognized the Government of the Republic of Panama, headed by Guillermo Endara, after the isthmus suffered a serious political-military crisis during the regime of ousted dictator Manuel Antonio Noriega, who is currently under indictment in the United States of America for his alleged involvement in drug trafficking activities.

Thus, Paraguay is among the first ten countries to recognize the government of Guillermo Endara, reestablishing the relations that had been suspended. Foreign Minister Luis Maria Argana yesterday summoned Augusto Villareal, the "ad interim" Panamanian charge d'affaires in Asuncion, to his office and informed him of the national government's decision.

The Panamanian diplomat did not conceal his satisfaction over "the decision of the Paraguayan Government,

which is among the first ten nations with democratic governments to recognize the government of my country, and I hope that the two governments will exchange ambassadors soon."[passage omitted]

Peru

Navy Denies Report on Plot To Kill Vargas Llosa

PY2203220190 Madrid EFE in Spanish 0452 GMT 22 Mar 90

[Text] Lima, 21 Mar (EFE)—The Peruvian Navy today formally denied that its intelligence services had uncovered a plot to assassinate writer Mario Vargas Llosa, who is considered to be the favorite candidate to win the presidential election that will be held on 8 April.

Citing an alleged naval intelligence report, a television station carried a report—which was later picked up by a newspaper—tacitly suggesting that the communist Tupac Amaru Revolutionary Movement (MRTA) and prominent people in the Peruvian Government, including President Alan Garcia, were involved in the alleged plot.

The Navy has issued an official communique in which it denies the alleged source of the document and states that the allegations, considering the rank of the personalities mentioned, could be a matter affecting national security.

The report on the plot was initially carried by Channel Four during a political program. It was later picked up by the center-right wing newspaper EXPRESO, one of the leading newspapers in the country.

Alvaro Vargas Llosa, a son and spokesman for the Peruvian writer, stated that "we give great credence to the document shown on television, but the authorities seem to have ignored it. It concerns my father and it should be taken seriously."

According to the document, the authenticity of which has been officially denied by the Navy, an MRTA hit squad would murder the novelist and presidential candidate of the Democratic Front (Fredemo) and other personalities of the center-right wing coalition.

The report adds that the plot may have been concocted in early December last year at a meeting reportedly attended by President Garcia, Interior Minister Agustin Mantilla, two senior leaders of the ruling American Popular Revolutionary Alliance (APRA), and by an unidentified MRTA member.

Garcia: Terrorism Fails To Defeat Democracy

PY2203161490 Lima Television Peruana in Spanish 0000 GMT 22 Mar 90

[Excerpts] President Alan Garcia said that terrorism has failed as an organized means to change the democratic system. He added that now there are only isolated terrorist groups that will try to stop the elections. In view of this, Garcia requested all Peruvians to be careful and the presidential candidates to adopt extreme security measures.

President Garcia also said Peruvians will not easily accept shock measures or drastic economic readjustment measures such as those implemented in Brazil or Argentina. He added that any traumatic measure seeking to suddenly solve long-standing problems will only result in more unemployment and poverty.

[Begin recording] [passage omitted] [Reporter] In the last 48 hours, there has been an escalation of violence: Enatru [National Urban Transport Enterprise] units have been set on fire, and several candidates to the legislature have been killed. What are your comments in this regard?

[Garcia] My first comment is to call on people to be calm. A mere two weeks before the elections, I believe the main obligation of a president is to be completely calm and patient.

In the past five years we have waged a great struggle to safeguard freedom, the political party system, and absolute freedom of the press. We have made a great effort to uphold the right to strike, to make demands. All this cannot be lost because of lack of calm when there are only two weeks left before the elections.

The new winds blowing throughout the world state that democracy and freedom are essential to society. We have safeguarded democracy and freedom for five years. Therefore, we must continue to be calm during the subversive escalation. We must be aware of an essential issue: subversives launched a war against democracy and against Peru nine years ago in the belief they would promote a national insurrection. They planned to organize cells in each district, in each province, in factories, and schools to promote a national insurrection. However, they have failed, and they will not succeed. Subversion has failed as a means to promote a general social insurrection. I reassert that subversion has failed with its proposal. It was been unable to defeat the 1980 elections, the 1985 elections, and it will also fail to defeat the 1990 elections. What is essential is that we are 14 days from the elections. [passage omitted] [end recording]

Peasant Militia Murder Alleged Terrorists

PY2203125690 Madrid EFE in Spanish 0422 GMT 17 Mar 90

[Text] Lima, 16 Mar (EFE)—It was reported today that members of the Peasant Defense Patrol killed, with clubs and machetes, three peasants, allegedly involved with terrorists, and kidnapped 17 others in the town of Ayacucho, 576 km southeast of Lima.

Witnesses told the police that at least 300 militiamen from the Vichos and Condoray Districts, 17 km from

Ayacucho, attacked the Santa Babara village early on 15 March and overpowered the residents with machetes and clubs.

Witnesses said that the militia members killed brothers Efrain, Isaac, and Maximo Prado, on charges of being linked with Shining Path terrorists, and kidnapped 17 alleged Shining Path terrorists who were taken to an unknown place.

According to the police at least 40 "members of the Peasant Defense Patrol" from Vichos and Condoray died in a clash with terrorists in January. The terrorists then headed for the neighboring town of Santa Barbara, where peasants allegedly helped them.

The source said that "if the charge made by the peasants is proven true, the reason for the attack could be in retaliation for the great number of Peasant Defense Patrol members killed two months ago."

The so-called "Peasant Defense Patrols" were created by the Army four years ago to defend against Shining Path terrorists in distant places which lack security forces.

The National Police have reported that a large number of people apparently died in a clash between a police patrol and a column of terrorists in the interior of the Andean Province of Tarma, 350 km east of Lima.

The source said the firefight early yesterday lasted several hours and that, due to poor communications systems, it was not possible to know how many people died in the clash.

Senator Enrique Bernalez, who specializes in political violence, today reported that terrorism, so far this year, has claimed the lives of at least 607 Peruvians, including civilians and military.

Threatened Prosecutor Seeks Asylum in U.S.

PY2203133690 Lima Domestic Service in Spanish 1100 GMT 22 Mar 90

[Text] A Peruvian citizen, who has accused soldiers of murdering 28 peasants, has sought political asylum in the United States.

Former special prosecutor Carlos Escobar Pineda said he received death threats and that his main witness had been murdered by Peruvian troops.

Lima authorities have rejected his charges and dismissed him from his post.

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